(b) O. P. S. shall not be required to procure hospital, nursing or ambulance services for diseases, or the results thereof, subject to quarantine, but O. P. S., will procure physicians' services in such cases when necessary.

(c) In the event that this agreement should be terminated at any time all benefits herein provided for shall be limited to not more than one year from the date of such termination and no case shall be entitled to treatment during such period of one year unless reported and under treatment prior to the date of such termination. Excepting in the event of termination as stated, all cases shall be entitled
3802 to continuous general service during the continuance of this agreement within the limitations specified elsewhere in this contract. Hospital care is limited to six months and private rooms and/or special nursing care are limited to thirty days during any contract service year commencing upon the date of onset of any case. It is understood that the period of thirty days provided herein for private rooms shall be considered as a part of the total hospital care as provided for herein. O. P. S.'s responsibility for procuring hospital and sanitarium care, or hospital or sanitarium care, for a tuberculosis case is, and will be, limited to a cost not greater than that prevailing in a case receiving six months of care at the Oregon State Tuberculosis Hospital.

(d) Whenever any employe subject to this agreement shall be absent from his employment due to illness or injury coverable under this agreement, such employe shall be entitled to all services stipulated herein for coverable conditions which may arise during such period of absence from employment. When illness or injury covered under this agreement results in disability and lost time, premiums for coverage hereunder shall be waived during the period of such disability and lost time from employment. It is understood, however, that the provisions of this paragraph shall not be applicable for any period longer than ninety days.

(e) Professional services and materials will be furnished for allergy tests but allergy treatments shall be limited to the rendering of professional services.

O. P. S. will provide the services of physicians cooperating with O. P. S. as required for the rendering of necessary blood transfusions, and the cost of furnishing blood when provided by professional donors will be assumed.

(f) Professional services of cooperating physicians and surgeons and necessary hospitalization will be procured for the removal of tonsils provided the member has been covered continuously for a period of six, or more, months.

(g) The benefits of this contract do not apply to any injury resulting from employment, or any result thereof, it being understood that the medical, surgical, hospital and other care for such cases are, and will be, procured (if procured) under the supervision and control, and at the expense, of the State Industrial Accident Commission, or other insurance carrier, or the Employer, or others, and not O. P. S.

(h) The benefits of this contract do not apply to any injury or illness of any employe caused by the negligence or wrongful act of any other person, except to the extent that if an employe entitled to the benefits of this contract shall be injured, or shall suffer illness, because of the wrongful act or negligence of any other person and thereafter shall make all reasonable efforts to recover from such other person and anyone responsible or answerable for such other person's negligence or wrongful act, O. P. S. will procure for such employe the benefits of this contract which cannot be made available out of funds reasonably recoverable from, or through, such other person. Such funds shall be deemed not reasonably recoverable from, or through, such other person if it shall reasonably appear that should an action therefor be prosecuted, and judgment therefor be obtained, against such other person and anyone responsible or answerable for such other person's negligence or wrongful act, execution on such judgment would be unavailing.

(i) In order to make it financially possible for O. P. S. to procure the services stipulated in this contract, employes requiring hospital care, surgical operations or medical services for any of the conditions covered by this contract shall be entitled thereto only in

hospitals approved by O. P. S. for rendering such services, and by physicians, surgeons and specialists cooperating with O. P. S. (who, for convenience, are described in this contract as "cooperating" physicians, surgeons or specialists) for this purpose, except as provided otherwise for emergency services.

(j) No benefit, right or interest of either the Employer or any employe under this contract can be assigned or transferred, and any such attempted assignment or transfer shall be invalid and void.

19. ARBITRATION PROVISIONS: Should O. P. S., either upon, or without, the advice of an attending physician or surgeon cooperating with O. P. S., at any time determine that any employee of the Employer, is not, or will not be, entitled to the treatment, or any treatment, herein stipulated, and that such employe's case is of a class excluded, or partially excluded, from the benefits of this contract, then, and in that event, either the Employer or the employe shall have the right to employ a competent practising medical physician or surgeon, duly licensed to practise in the State of Oregon, to examine such employe for the purpose of advising such employe whether such determination made by O. P. S. is correct. If such consulting physician or surgeon and O. P. S. shall be unable to agree in such respect, then in that event, O. P. S. and the Employer shall select another competent, practising medical physician or surgeon, duly licensed to practise in the State of Oregon, as arbiter to decide whether such determination made by O. P. S. is correct. Such decision of such arbiter shall, when made, be final. If such decision shall be contrary to such determination made by O. P. S., then O. P. S. shall pay a reasonable fee to such consulting physician or surgeon and also a reasonable fee to such arbiter for their respective services in such matter. If such decision made by such arbiter shall substantially coincide with such determination made by O. P. S., then, in that event, such employe shall pay such fees of such consulting physician or surgeon and such arbiter, respectively.

20. LAY-OFFS: Employes temporarily off work may retain their protection hereunder in the event that they notify the employer in writing of their desire to continue such protection and either pay their premiums hereunder in advance or authorize the employer in writing to deduct

their premiums for the period of their lay-off, or such portion thereof as has not been previously paid, from their wages after their return to work. Such protection shall not continue longer than two months without the actual payment of premiums monthly in advance. Any employe who is temporarily off work for a period exceeding ninety days and who does not make arrangements for payment of dues during the interim period shall be excluded from coverage under this agreement until such time as his status may be reestablished.

Employes laid off indefinitely because of plant shutdown, in whole or in part, or seasonal operations may at their option retain their protection hereunder during the period of this agreement or of such lay-off, whichever is shorter; provided that they pay premiums to O. P. S. monthly in advance; and provided further this privilege, at the option of O. P. S., may be limited to such time as they may remain in the State of Oregon and are not under other employment affording the opportunity for similar protection.

21. PROTECTION SUBSEQUENT TO EMPLOYMENT: Any employe, whose employment with the employer terminates, shall be entitled to the benefits of this agreement during any period hereafter for which he may have paid premiums and if under treatment at the time of such termination or at the time of expiration of said period shall be entitled to said benefits for the particular sickness or injury for which he may then be under treatment in accordance with the limitations of this agreement.

Any employe whose employment so terminates and whose medical and accident record and physical condition may be satisfactory to O. P. S., shall have the privilege, under such regulations as O. P. S. may from time to time prescribe, continue under the protection of this agreement by giving immediate notice to O. P. S., and by paying premiums quarterly in advance to O. P. S.

3804 22. PAYROLL DEDUCTIONS AND PAYMENTS: In consideration of the promises and undertakings hereinbefore set forth to be kept and performed by O. P. S., the Employer hereby promises and agrees to pay to O. P. S. on or before the fifteenth day of each and every month during the life of this contract the following amounts of money (sometimes in this contract called "dues"):

(a) Three dollars ($3.00) for each employe covered by this contract who will have commenced his employ-

ment on or before the fifteenth day of the preceding calendar month and who will have been employed for four, or more, days in such month.

(b) One dollar and fifty cents ($1.50) for each employe covered by this contract who will have commenced his employment after the fifteenth day of the preceding calendar month and who will have been employed for four, or more, days in such month.

(c) Ten cents ($.10) each day for each employe covered by this contract who will have been employed for three days, or less, in the preceding calendar month, but such employe shall be entitled to the benefits of this contract only with respect to acute illness or injury originating within such period of three days, or less, of employment.

(d) The Employer shall not be required to pay to O. P. S. dues for the current month for any employe who, upon entering the employment of the Employer, shall hold a receipt entitling him to medical, surgical and hospital accommodations procured by any medical service organization engaged in such business in Oregon or Washington. This exemption from payment of dues shall apply only to the month in which such employe will have commenced his employment with the Employer. O. P. S. shall not be required to procure any of the services stipulated in this contract for any accidental injury sustained by such employe or for any illness suffered by such employe during the period for which the Employer is exempted from paying dues, it being intended that in the event of such injury or illness such employe shall look to such medical service organization which will have issued such receipt to him, for such services.

(e) In case any employe for whom the Employer will have paid to O. P. S. the dues for the next succeeding calendar month, or a next succeeding period of days, or for whom the Employer will have deducted such amount from the wages payable to such employe for such payment thereof, shall leave the employment of the Employer before such calendar month, or other period, will have expired, such employe shall, nevertheless, be entitled to receive all

such benefits provided by this contract as he would have been entitled to receive if he had not left such employment, with respect to injury or illness which may occur to such employe during such calendar month, or other period, for which such dues thus will have been paid.

(f) The Employer promises and agrees that O. P. S. may, at reasonable times, examine the payroll of the Employer for the purpose of auditing it with respect to dues agreed to be paid to O. P. S. by the Employer.

23. WARRANTY OF SERVICE-FULFILLMENT: O. P. S. shall render a warranty of service-fulfillment in keeping with the provisions of this contract in the event that the employes of the Employer will, immediately prior to the effective date of this contract, have been entitled to the benefits of a like, or substantially similar, medical and hospital service contract issued by another medical contractor. In such event, such warranty of service-fulfillment shall be executed by O. P. S. and shall be affixed to this contract.

3805 24. REJECTION BY EMPLOYE: In accordance with Chapter 344, Oregon Laws, 1941, as amended by Chapter 298, Oregon Laws, 1945, any employe may reject the coverage of this contract at the time when this contract is executed or at the time of his employment if entering such employment after the date of the execution of this contract, by giving written notice to the Employer of his desire so to do, or, having been under the coverage of this contract, by giving such notice in writing not less than thirty days in advance of its anniversary date. The Employer shall not retain any part of the wages of any employe who will have filed such notice of rejection, and such employe shall not be entitled to any of the benefits of this contract; provided, that any employe who will have filed such notice of rejection shall, by withdrawing his rejection, and subject to acceptance by O. P. S., have the right to come under the coverage of this contract at a future date to be agreed upon with O. P. S.

25. TERM AND TERMINATION: This contract shall remain in full force and effect from the ..... day of ....., 19....., to the thirty-first day of December, 19....., or for such part of such period as the parties hereto (including the employes) shall perform and observe their respective

obligations under this contract, and this contract can be cancelled and terminated, without liability therefor, by either the Employer or O. P. S. by his or its giving thirty (30) days' notice in writing to the other of them of such termination in the event of the making of breach or default by such other with respect to its or his obligations under this contract. In the event that payment of dues shall not be received by O. P. S. from the Employer punctually in accordance with Section 20 of this contract, time being of the essence hereof, O. P. S. shall have the right to cancel and terminate this contract, without liability therefor, at any time by giving fifteen (15) days' notice in writing of such cancellation to the Employer.

26. RENEWAL: The term of this contract will expire on said thirty-first day of December of said year last above mentioned. However, unless either O. P. S. or the Employer shall give to the other of them, at least thirty (30) days prior to said last-above mentioned date, written notice of its or his election that this contract shall not be renewed on said date, this contract shall be deemed renewed on said date, with like effect, to all intents and purposes, as if re-executed on said date by O. P. S. and the Employer, to continue in full force and effect for the next succeeding calendar year and likewise annually thereafter shall be deemed to be renewed and to continue in full force and effect from year to year, unless and until at least thirty (30) days prior to the expiration of any calendar year either O. P. S. or the Employer shall give to the other of them written notice of its or his election not so to renew this contract.

27. REVISION: O. P. S. shall have the right at any time to modify the benefits, and to adjust the consideration, or to modify the benefits, or to adjust the consideration, of this contract, consistent with changing conditions, and such revision may be made effective on the first day of any month by the giving by O. P. S. of written notice of such revision to the Employer at least forty-five (45) days prior to the effective date of such revision which will be stated in such notice. In such event, the Employer shall have the privilege of terminating this contract on the first day of the month in which such revision will become effective by giving written notice of such termination to O. P. S. at least fifteen (15) days prior to such first day of such month.

IN WITNESS WHEREOF, O. P. S. and the Employer have caused this contract to be executed (in duplicate) on the date hereinabove first written by their respective, undersigned officers, pursuant to due authorization so to do heretofore granted to such officers, respectively.

..... OREGON PHYSICIANS' SERVICE

EMPLOYER

By ..... By .....

Manager

Title.....

Plaintiff's Exhibit 134

3806 OREGON PHYSICIANS' SERVICE

FULL COVERAGE MEDICAL AND HOSPITAL AGREEMENT

(Sickness and Non-Occupational Accidents)

THIS AGREEMENT, made and entered into this ..... day of ....., 19....., by and between OREGON PHYSICIANS' SERVICE, an Oregon corporation with offices located at Salem, Portland and Medford, Oregon, licensed to conduct the business of a hospital association under the laws of the State of Oregon, hereinafter called O. P. S., and ..... hereinafter called the Employer.

• • • • •

1. MEDICAL AND SURGICAL SERVICE: O. P. S. will bear the expense of necessary medical and surgical treatment, except as hereinafter set forth, required by any such employe for sickness or non-occupational injuries, when furnished by physicians and surgeons of the staff of O. P. S., who are authorized to render such services at their offices, at cooperating hospitals, at the employe's home or at the location of an emergency illness or injury. It is agreed that service outside of a physician's office will be provided only when the illness or injury of the employe requiring service is of too serious a nature to permit him to call at a physician's or surgeon's office. It is particularly agreed and understood that each and every employe covered by this contract shall be entitled to unrestricted choice of available physicians from the O. P. S. list of member physicians in the treatment of any illness or injury, excepting that O. P. S. shall retain the right to direct the medical

or surgical procedure in every case when, in the opinion of O. P. S., such direction is required for the welfare of the patient.

2. EMERGENCY CARE: In the event that an injury or illness is sustained within the State of Oregon by an employe entitled to these benefits and the services of authorized O. P. S. physicians are not available the Employer or the employe may call the nearest available doctor of medicine, licensed by the State Board of Medical Examiners, to render emergency services to such injured or ill employe until such time as an authorized O. P. S. physician can render said employe attention, and the expense of the emergency treatment will be defrayed by O. P. S. at regular O. P. S. rates for such service. It shall be the duty of the Employer or other involved party to notify immediately O. P. S. that said injured or ill employe is in
3807 need of medical attention and is being attended by an emergency physician, and the failure so to do shall relieve O. P. S. of all further responsibility and care of said employe excepting for actual emergency treatment. Emergency treatment includes surgical operations only when specifically authorized by O. P. S.

3. CARE OF TRAVELING EMPLOYES: Employes who are entitled to the benefits of this agreement and may be injured or taken sick while outside of the State of Oregon shall be entitled to the service of a licensed doctor of medicine, and hospital service for serious cases, in the nearest city or town where the same may be available, said services to be paid for by O. P. S. on the basis of regular O. P. S. rates for such services. It shall be the duty of the injured or ill employe to notify O. P. S. as soon as possible that he is in need of or is receiving medical care. Failure on the part of said employe to give such notice to O. P. S. shall relieve O. P. S. from all obligations or liability in connection with any services other than emergency treatment. It is understood that emergency treatment includes surgical operations and extended hospital care only when specifically authorized by O. P. S. Services hereunder are limited to the Continental United States.

4. SPECIALISTS: Services of O. P. S. staff specialists will be provided *upon the recommendations of any attending staff physicians and surgeons.* Services of eye, ear, nose and throat specialists will be furnished when needed for

the care of injury or diseases of the eye, ear, nose or throat.

. . . . . .

This contract provides that OPS will furnish necessary medicines, medical and surgical supplies for hospitalized members, and furnish first aid supplies to employers. It provides for ambulance service. It contains a provision similar to Subsection h of Paragraph 15 of Exhibit 132.

Plaintiff's Exhibit 136

3812 OREGON PHYSICIANS' SERVICE

FULL COVERAGE MEDICAL AND HOSPITAL AGREEMENT

(Sickness and Non-Occupational Accidents)

THIS AGREEMENT, made and entered into this ..... day of ....., 194.., by and between OREGON PHYSICIANS' SERVICE, and Oregon corporation with offices located at Salem, Portland and Medford, Oregon, licensed to conduct the business of an hospital association under the laws of the State of Oregon, hereinafter called O.P.S., and ..... hereinafter called the Employer, on behalf of the employes of said organization.

WITNESSETH: That O.P.S. for and in consideration of the sum or sums of money paid to it by the Employer, within the time or times hereinafter mentioned, hereby agrees to make available to each employe covered under this contract with the Employer and working in connection with the Employer's operations at ....., from time to time during the life of this contract, as occasion demands, and bear the expense thereof, medical and surgical services, hospital accommodations, ambulance service, dental and other benefits as subsequently stated in this agreement.

In accordance with Chapter 344, Oregon Laws, 1941, any employe may reject the coverage of this contract at the time the contract is entered into or at the time of his employment, if written notice to the employer of his desire so to do, or, having been under this contract, by giving such notice thirty days in advance of its anniversary date.

It is agreed that the employer shall not retain any portion of the wages of any employe who has filed a notice of rejection, and such employe shall not be entitled to any of the benefits of this contract; provided that any employe has filed such notice of rejection shall, be withdrawing rejection and subject to acceptance by O.P.S., have the right to come under the coverage of this contract at a future date to be agreed upon with O.P.S.

It is further agreed that O.P.S. shall render a Warranty of service fulfillment in the event that the employes of the employer have heretofore been under the protection of a medical and hospital service agreement issued by another medical contractor immediately prior to the effective date of this agreement. In such an event said warranty of service fulfillment shall be executed by O.P.S. and affixed to this agreement.

1. *Medical and Surgical Service*: O.P.S. will bear the expense of necessary medical and surgical treatment, except as hereinafter set forth, required by any covered employe for sickness or non-occupational injuries, when furnished by physicians and surgeons of the staff of O.P.S., who may be called when the illness or injury of the employe is of too serious a nature to permit him to call at a physician's or surgeon's office. It is particularly agreed and understood that each and every employe covered by this contract shall be entitled to unrestricted choice of available physicians from the O.P.S. list of member physicians in the treatment of any illness or injury, excepting that O.P.S. shall retain the right to direct the medical or surgical procedure in every case when, in the opinion of O.P.S., such direction is required for the welfare of the patient.

2. *Emergency Care*: In the event that an injury or illness is sustained within the State of Oregon by an employe entitled to these benefits and the services of authorized O.P.S. physicians are not available the Employer or the employe may call the nearest available doctor of medicine, licensed by the State Board of Examiners, to render emergency services to such injured or ill employe until such time as an authorized O.P.S. physician can render said employe attention, and the expense of the emergency treatment will be defrayed by O.P.S. at regular O.P.S. rates for such service. It shall be the duty of the Employer or other involved party to immediately notify O.P.S. that

said injured or ill employe is in need of medical attention and is being attended by an emergency physician. Emergency treatment includes surgical operations only when specifically authorized by O.P.S.

3813 3. *Care for Traveling Employes*: Employes who are entitled to the benefits of this agreement and may be injured or taken sick while outside of the State of Oregon shall be entitled to the service of a licensed doctor of medicine, and hospital service for serious cases, in the nearest city or town where the same may be available, said services to be paid for by O.P.S. on the basis of regular O.P.S. rates for such services. It shall be the duty of the injured or ill employe to notify O.P.S. as soon as possible that he is in need of or is receiving medical care. It is understood that emergency treatment includes surgical operations and extended hospital care only when specifically authorized by O.P.S. Services hereunder are limited to the Continental United States.

4. *Specialists*: Services of O.P.S. staff specialists will be provided upon the recommendations of any attending staff physicians and surgeons or by agreement with O.P.S. Services of eye, ear, nose and throat specialists will be furnished when needed for the care of injury or disease of the eye, ear, nose and throat.

5. *Dental Service*: Dental service shall be provided by O.P.S. staff dentists to the extent of the extraction of teeth and treatment of acute gum trouble for the purpose of immediate relief. Extractions are limited to not more than four teeth in any one case excepting that a staff physician may authorize additional extractions for the treatment of systemic sickness. Treatment for Vincent's Angina or trench mouth will be furnished as well as dental x-rays when ordered by the attending physicians.

6. *Medicines For Hospitalized Patients and/or Virulent Diseases*: O.P.S. will furnish all necessary medicines, medical and surgical supplies which may be used or prescribed by O.P.S. Staff physicians or surgeons in the treatment of said employes while they are receiving necessary care in recognized hospitals. Prescription medicines and medical and surgical supplies will be furnished for the treatment and/or prevention of virulent diseases specifically including pneumonia, typhoid fever, smallpox, tetanus, meningitis, scarlet fever, undulent fever, rabies,

malaria fever, amoebic dysentery and other ailments of a similar classification. Insulin will be furnished in the treatment of diabetes and extracts for pernicious anemia cases.

7. *First Aid Supplies*: First aid supplies for the use of employes in sickness and non-occupational accident cases will be provided and delivered to the Employer, and will be maintained during the life of this contract at such places as may be indicated by the Employer. All unused supplies are to be returned to O.P.S. at the termination of this contract. Whenever feasible, O.P.S. also will furnish first aid supplies for industrial accidents in accordance with the regulations of the industrial insurance carrier.

8. *Hospital Service*: O.P.S. will bear the expense of hospital service and accommodations when required for the treatment of such employes in approved general hospitals, as may be arranged for by O.P.S. Such hospital service shall include ward accommodations, board, hospital staff nurse, use of surgery, x-rays, laboratory service and medical and surgical attendance.

Private rooms will be provided in those cases of a serious nature which in the judgment of the attending physicians require quiet surroundings and special care. Should any such injured or ill employe not require special services but nevertheless desire a private room in said hospital, O.P.S. agrees to pay such proportion of the cost of such room as O.P.S. would be required to pay for ward service during the same period of time.

9. *Ambulance and Transportation Service*: O.P.S. shall provide the necessary ambulance service or other appropriate transportation for conveying the seriously sick and injured to such hospitals as are appointed by O.P.S. to render hospital services in the event that ordinary available transportation shall not be suitable.

The cost of common carrier transportation will be defrayed by O.P.S. when employes are referred to O.P.S. specialists or other functionaries for consultation or special services and when the referring of such cases is authorized in advance by O.P.S.

3814 10. *Special Nurses*: Services of special nurses shall be provided for serious hospitalized cases when in the judgment of the attending physicians or surgeons special nurse service is required.

11. *X-ray Service*: X-ray service shall be provided in cases of suspected fracture, and in all other injury or medical cases when use of x-ray shall be deemed advisable by the attending physicians or surgeons.

12. *Physical-Therapy*: Physical-Therapy, including radium, deep x-ray, infra-red, ultra-violet, diathermy and other approved treatments, shall be provided in all cases when in the judgment of the attending physicians or surgeons such treatment shall be indicated.

13. *Physical Examination*: One yearly examination of the entire body, including examination of the heart, lungs, blood pressure, hemoglobin blood test and analysis of the urine will be made by physician members of O.P.S. upon request of the employe. Wasserman test, blood counts, fluoroscopic and x-ray examinations are not included excepting when the examining physician finds specific need for same and obtains authorization. Examinations requiring certification are not furnished.

14. *Refractions*: Eyes will be examined or tested for glasses by O.P.S. eye specialists. Glasses will not be furnished by O.P.S.

15. *Prophylaxes*: O.P.S. will furnish such prophylactic measures as may be necessary in preventing the spread of disease among employes of the Employer. This service includes cooperation with the State Board of Health in the analysis of drinking water and general sanitation work. Vaccination and inoculation of employes, including the furnishing of vaccines and serums, will be provided in the treatment of and to prevent infection and spread of virulent diseases such as smallpox, typhoid fever, pneumonia, tetanus, etc.

16. *Welfare Department*: O.P.S. will maintain a welfare department through which it will report the condition and progress of patients under its care upon request, and will report on such other matters as in its judgment are of special interest to the parties involved in this agreement, including matters which may in any manner affect claims for Workmen's Compensation and those affecting the general welfare of the covered employes.

17. *Medical, Surgical and Hospital Coverages*: It is mutually understood and agreed that this agreement shall cover hospital, medical and surgical treatment, and other services as hereinabove provided in the following cases:

a. All accidental injuries received by an employe during the term of his coverage excepting industrial accidents.

b. All acute sickness suffered by an employe at any time during the term of his coverage.

c. Chronic conditions that become acute will be treated for all present covered employes, providing that such conditions did not originate prior to the time that such employes were first protected under O.P.S. Full Coverage Medical Service or under a like or substantially similar service of another medical contractor, when such coverage is immediately preceding coverage under this agreement. Future employes will be entitled to coverage for chronic conditions after they have been under the protection of O.P.S. Full Coverage Medical Service for a period of six consecutive months. This will include hospital care and surgical operations, when needed for such conditions as goiter, stomach ulcers, gall stones, kidney stones, and other ailments of this nature. Credit will be given employes for time employed elsewhere under the protection of O.P.S. Full Coverage Medical Service or of a similar Service of another Medical Contractor when such employment is immediately preceding their employment under the protection of this contract. Chronic conditions originating prior to the time that such employes were first protected under O.P.S. Full Coverage Medical Service, or under a similar Service of another Medical Contractor, are not covered by this contract.

3815 d. Operations and treatments for traumatic deviated septums, acute sinus conditions, hernia, and diseased tonsils shall be furnished when needed, in accordance with the provisions of Section 17, (c).

e. Tuberculosis shall be treated in accordance with the provisions of Section 17, (c).

f. Cancer will be treated, including treatment by deep x-ray and radium in accordanec with the provisions of Section 17, (a).

g. "Chronic Conditions" as used herein are those conditions of prolonged duration characterized by

slowly progressing symptoms as differentiated from "Acute Conditions" which are defined as those ailments of recent origin coming speedily to a crisis.

18. *Exemptions and Limitations*:

a. The benefits of this agreement do not apply to industrial accidents, insanity, pregnancy or childbirth or their results, venereal diseases, alcoholism, drug addiction, pyorrhea, deformities, congenital physical defects, attempts at suicide, nor to any condition that is active or manifestly existing at the time any employe is first protected under this agreement in accordance with the provisions of Section 17 hereof. The benefits likewise shall not apply to injuries resulting from acts of personal violence in which the injured employe was the aggressor, nor to injuries or illness sustained as a result of the use of intoxicating liquors, drugs or narcotics by the injured or ill employe and where the use of such intoxicating liquors, drugs or narcotics was the primary cause of the sustaining of such injuries or illness.

b. O. P. S. shall not be required to furnish hospital nursing or ambulance services for diseases subject to quarantine, or for afflictions or diseases that become epidemic, but shall furnish physicians' services.

c. In the event that this agreement should be terminated at any time all benefits herein provided for shall be limited to not more than one year from the date of such termination and no case shall be entitled to treatment during such period of one year unless reported and under treatment prior to the date of such termination. Excepting in the event of termination as stated, all cases shall be entitled to continuous general service during the continuance of this agreement within the limitations specified elsewhere in this contract. Hospital care is limited to six months and private rooms and/or special nursing care are limited to thirty days during any contract service year commencing upon the date of onset of any case. It is understood that the period of thirty days provided herein for private rooms shall be considered as a part of the total hospital care as provided for herein.

d. Whenever any employe subject to this agreement shall be absent from his employment due to

illness or injury coverable under this agreement, such employe shall be entitled to all services stipulated herein for coverable conditions which may arise during such period of absence from employment. When illness or injury covered under this agreement results in disability and lost time, premiums for coverage hereunder shall be waived during the period of such disability and lost time from employment. It is understood, however, that the provisions of this paragraph shall not be applicable for any period longer than ninety days.

e. Professional services and materials will be furnished for allergy tests but allergy treatments shall be limited to the rendering of professional services. O. P. S. will provide the services of physicians as required for the rendering of necessary blood transfusions, and the cost of furnishing blood when provided by professional donors will be assumed.

f. Injuries resulting from employment are not included in this agreement; it being understood that the medical, surgical and hospital care, etc., for such cases are under the supervision and control of the State Industrial Accident Commission, other insurance carrier, or the Employer.

3816. g. In the event of personal injury to any of the employees of the Employer subject to care under this agreement resulting from acts or omissions for which third parties are legally liable, O. P. S. shall be subrogated to the rights of the injured employe to the extent of the reasonable value of medical, surgical or hospital care or other services it has provided for the injured employe.

h. To make it financially possible for O. P. S. to furnish all the services stipulated herein, it is agreed between the parties hereto that employes requiring hospital care, surgical operations, or medical services for any of the conditions named herein, shall be entitled to the same only in hospitals appointed by O. P. S. for rendering such services, and by physicians, surgeons, and specialists listed on the staff of O. P. S. for this purpose, exeepting as provided otherwise for emergency services.

19. *Arbitration Provisions*: Should O. P. S. or its attending physicians at any time during the life of this contract determine that any employe of the Employer is not entitled to the treatment or any treatment herein stipulated, and shall determine that such employe is in the class eliminated or partially eliminated from benefits herein contemplated, then, in that event, the Employer or the employe shall have the right to call in a competent and duly licensed practicing medical physician or surgeon, to examine such person for the purpose of determining whether or not the physicians of O. P. S. have correctly determined liability in the case as hereinbefore mentioned. If such consulting physician and the physicians of O. P. S. shall be unable to agree, then in that event, O. P. S. and the Employe shall select a competent skilled medical physician or surgeon, duly licensed under the laws of this State, as arbitrator to make examination and determine liability in the case, and furnish his determination to the parties hereto. When such determination shall be furnished, the same shall be final and if such determination shall be contrary to the determination of the physician or physicians of O. P. S., O. P. S. shall pay the fees of the consulting physicians and also a reasonable fee of the physician arbitrator. If the determination of the physician arbitrator shall substantially agree with the determination given by the physician or physicians of O. P. S., then, in that event, the said employe shall be responsible for the fees of such consulting physician and arbitrator physician.

20. *Lay-Offs*: Employes temporarily off work may retain their protection hereunder in the event that they notify the employer in writing of their desire to continue such protection and either pay their premiums hereunder in advance or authorize the employer in writing to deduct their premiums for the period of their lay-off, or such portion thereof as has not been previously paid, from their wages after their return to work. Such protection shall not continue longer than two months without the actual payment of premiums monthly in advance. Any employe who is temporarily off work for a period exceeding ninety days and who does not make arrangements for payment of dues during the interim period shall be excluded from coverage under this agreement until such time as his status may be reestablished.

Employes laid off indefinitely because of plant shutdown, in whole or in part, or seasonal operations may at their option retain their protection hereunder during the period of this agreement or of such lay-off, whichever is shorter; provided that they pay premiums to O. P. S. monthly in advance; and provided further this privilege, at the option of O. P. S., may be limited to such time as they may remain in the State of Oregon and are not under other employment affording the opportunity for similar protection.

21. *Protection Subsequent to Employment*: Any employe, whose employment with the employer terminates, shall be entitled to the benefits of this agreement during any period hereafter for which he may have paid premiums and if under treatment at the time of such termination or at the time of expiration of said period shall be entitled to said benefits for the particular sickness or injury for which he may then be under treatment in accordance with the limitations of this agreement.

Any employe whose employment so terminates and whose medical and accident record and physical condition may be satisfactory to O. P. S., shall have the privilege, under such regulations as O. P. S. may from time to time prescribe, continue under the protection of this agreement by giving immediate notice to O. P. S. and by paying premiums monthly in advance to O. P. S.

3817 22. *Payroll Deductions and Payments*: In consideration of the agreements hereinbefore set forth, to be kept and performed by O. P. S., the Employer agrees to pay O. P. S. on or before the fifteenth day of each and every month hereafter, during the time this agreement shall remain in effect, as follows:

a. Two Dollars and Fifty Cents ($2.50) for each employe covered under this contract who began his employment on or before the fifteenth day of the preceding calendar month and was employed four or more days in said month.

b. One Dollar and Twenty-Five Cents ($1.25) for each employe who began his employment after the fifteenth day of the preceding calendar month and was employed four or more days in said month.

c. Ten Cents ($.10) per day for each employe who shall have been employed three days or less in the preceding calendar month.

d. The Employer shall not be required to pay to O. P. S. the hospital fee for the current month for any person who, upon entering the employment of the Employer, shall hold a certificate entitling him to medical, surgical and hospital accommodations in any medical service organization in Oregon or Washington. This exemption in the payment of hospital dues shall apply only to the month in which such employe begins his employment with the Employer. It is mutually agreed between the parties hereto that O. P. S. shall not be required to furnish any of the services stipulated herein for any accidental injury received outside of employment or for any sickness contracted during the period for which the Employer is exempted from paying hospital fees, it being the intention that for such injury or sickness said employe shall apply for hospital and medical services to the medical service organization represented by the certificate he holds.

e. It is further understood and agreed by and between the parties hereto, that in case any employe for whom the Employer has paid to O. P. S. the hospital fees for any calendar month or payroll period, or has deducted such amount from the wages due said employe in settlement of same, shall leave the employ of the Employer before said calendar month or payroll period shall have expired he shall be entitled, notwithstanding such fact, to all the benefits provided by this agreement for injuries and diseases which O. P. S. undertakes by this contract to take care of, which may occur to said employe during such period of time as such services are paid for.

f. The Employer agrees and promises that O. P. S. may, at proper times, examine the payroll of the Employer for the purpose of auditing the same in connection with the fees agreed to be paid by the Employer.

23. *Contingent Liability Protection*: It is specifically agreed that O. P. S. shall save the Employer harmless in the event that suit is brought or any judgment obtained against the Employer on any claim on account of alleged malpractice, neglect or any act of omission or commission on the part of O. P. S. or any of the agents of O. P. S. O. P. S. promises and agrees to maintain a policy of insurance, with a responsible insurance company authorized

to transact business in the State of Oregon, said policy to have primary limits of not less than Twenty-five thousand dollars ($25,000). Said policy shall insure the employer and O. P. S. against any and all damages arising out of any and all claims, demands, suits, action, damages, judgments and/or other charges arising out of the performance of this agreement by the parties hereto.

24. It is understood and agreed by and between the parties hereto that this agreement shall remain in full force and effect from the ..... day of ....., 194....., to the thirty first day of December, 194....., or for such part of said period as the parties hereto shall perform the duties herein provided for, and that this agreement can be terminated or rescinded by either party by rendering thirty days' notice in writing to the opposite party that the agreement herein contained is being violated. In the event that payments are not received from the Employer in accordance with Section (22) hereof, O. P. S. shall have the right to cancel this agreement at any time by the rendering of thirty days' notice in writing of such cancellation.

3818 While by its terms this agreement expires on the thirty-first day of December, 194....., it is agreed that unless one party to this agreement gives to the other, at least fifteen days before the expiration of said period, written notice of its election that the agreement shall terminate at the said time, it will continue in full force and effect for the succeeding calendar year and thereafter will continue in full force and effect from year to year unless at least fifteen days prior to the expiration of any calendar year one party shall give to the other written notice of its election so to terminate.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed, in duplicate, by their respective officers, pursuant to authority heretofore granted, as of the date first hereinabove written.

..... OREGON PHYSICIANS' SERVICE

Employer

By ..... By .....

Executive Officer General/Division Manager

Plaintiff's Exhibit 137

3819 OREGON PHYSICIANS' SERVICE

FULL COVERAGE MEDICAL AND HOSPITAL AGREEMENT

(Sickness and Non-Occupational Accidents)

AGREEMENT made between the OREGON PHYSICIANS' SERVICE, an Oregon corporation, hereinafter called O. P. S., and
hereinafter called Employer,

It is mutually agreed as follows:

O. P. S., in consideration of the moneys to be paid to it by Employer, as herein provided, shall at its own expense furnish to each employee, hereinafter called Subscriber, covered under this contract with Employer and working in connection with Employer's entire operations, the following services and benefits.

1. MEDICAL AND SURGICAL SERVICE: O. P. S. will bear the expense of necessary medical and surgical treatment, except as hereinafter set forth, required by any such employe for sickness or non-occupational injuries, when furnished by physicians and surgeons of the staff of O. P. S., who are authorized to render such services at their offices, at cooperating hospitals, at the subscriber's home or at the location of an emergency illness or injury. It is agreed that service outside of a physician's office will be provided only when the illness or injury of the subscriber requiring service is of too serious a nature to permit him to call at a physician's or surgeon's office. It is particularly agreed and understood that each and every subscriber covered by this contract shall be entitled to unrestricted choice of available physicians from O. P. S. list of member physicians in the treatment of any illness or injury, excepting that O. P. S. shall retain the right to direct the medical or surgical procedure in every case when, in the opinion of O. P. S., such direction is required for the welfare of the patient.

2. HOSPITAL SERVICE:

a. Adequate hospital accommodations in Portland, Oregon, and towns nearest the place of subscriber's employment, as arranged for by O. P. S., such accommodations to include ward service, hospital nurse, use of surgery, X-

rays, laboratory, medicine, and medical and surgical care, provided Subscriber is attended by staff physicians or surgeons of O. P. S., except in emergency cases as herein provided. Any Subscriber desiring private room service may obtain same by paying to the hospital any difference between cost of private room and rate charged O. P. S. for ward service. Hospital service will not be furnished for a period longer than six months in any one case, but medical attention, when needed, will be furnished for an additional six months. In case of cerebral conditions, tuberculosis, cancer or cardiovascular-renal disease, the period of such hospital services shall be limited to three months, but medical attention when needed will be furnished for an additional nine months. Deviation from said limitations may be made by Medical Advisor in his sole discretion, provided that no disease or injury shall receive medical attention for longer than one year.

b. Subscriber shall notify the staff physician or said hospital of his coverage hereunder upon presenting himself to said physician and/or hospital for services under this contract. The obligation of O. P. S. to provide services hereunder shall not commence until such notice is given, provided that any subscriber who is physically unable to give such notice shall do so as soon as reasonably possible, and such notice, when given, shall be effective as of the time rendition of services commenced.

3. MEDICINES: All necessary medicines and surgical supplies as used or prescribed by staff physicians or surgeons of O. P. S. in the treatment of said Subscribers, but only during such periods as Subscriber is confined in a hospital under the care of staff physicians or surgeons of O. P. S. This provision, however, shall not relieve O. P. S. of the obligation to provide serums and antitoxins to Sub-
3820 scribers in the treatment and prevention of virulent diseases such as colds, pneumonia, diphtheria, typhoid fever, scarlet fever, smallpox, infantile paralysis, erysipelas, meningitis, tetanus, rabies, spotted fever, etc., where the Subscriber has contracted such disease or is believed to have been exposed to any such disease for which a serum or antitoxin is an accepted prophylaxis, or therapy.

4. DENTAL service by O. P. S. dentists, upon order of a staff physician, to the extent of dental X-rays, Vincent's Angina, and teeth extraction. Extractions for impacted

and unerupted teeth requiring surgical removal are not included.

5. AMBULANCE service or other transportation service for conveying sick and injured to hospitals appointed by O. P. S. for hospital service, or, in emergency to the nearest available hospital, provided such cost in any case shall not exceed $10.00.

6. SPECIAL NURSE AND PRIVATE ROOM SERVICE when, in the judgment of the attending O. P. S. staff physicians or surgeons, services of general ward nurses and ward service are not adequate, but not for a period to exceed thirty days in any one case.

7. SPECIALISTS service by O. P. S. staff specialists, including eye, ear, nose, and throat specialists, when recommended by attending staff physicians or surgeons.

8. REFRACTIONS: Eyes will be examined or tested for glasses by O. P. S. eye, ear, nose, and throat specialists, after Subscriber has been under the protection of this coverage for six consecutive months.

9. HEALTH EXAMINATION: An annual examination of the entire body, including examination of the heart, lungs, blood pressure, hemoglobin blood test and analysis of the urine will be made after they have been under the protection of this coverage six consecutive months, by physician members of O. P. S. upon request of the Subscriber, but Wasserman tests, blood counts, fluoroscopic and X-ray examinations are not included.

10. LIMITED SERVICES to original and subsequent subscribers.

a. The term "original subscriber" as used herein means any individual who is or becomes, within thirty days after execution of this agreement, a member of the employment group within the protection of this agreement. The term "subsequent subscriber" means any individual who during the effective period of this agreement, becomes a member of the employment group within the protection of this agreement.

b. Operations and treatment for acute nasal conditions and diseased tonsils will be provided to original subscribers when needed. Subsequent subscribers will be entitled to this service only after they have been under the protection

of O. P. S. Full Coverage Service for six consecutive months.

c. Original subscribers will be treated for tuberculosis, diabetes, and cancer provided such condition is not active prior to the effective date of this agreement. Subsequent subscribers will be entitled to this service only after they have been under the protection of O. P. S. Full Coverage Service for six consecutive months.

11. EXCLUSIONS: Services provided herein shall not apply to:

a. Injuries from accidents arising out of and in the course of Subscriber's employment.

b. Examinations for marriage licenses, or in connection with applications for airplane pilot's licenses or cosmotologist's licenses or any other examination requiring certification by the examining doctor.

c. Accidental injuries, deformities, illnesses or sickness which existed prior to the time such afflicted Subscribers came under this protection.

3821 d. Cases of insanity, or to injuries sustained while engaged in the sport of skiing, or while committing or attempting to commit a violation of the law or to disabilities or injuries resulting from the use of intoxicating liquors, drugs, or narcotics, or to suicide or any attempt thereat, while sane or insane, or to congenital conditions or to allergy, or pyorrhea, or to pregnancy or childbirth or conditions arising therefrom, or to venereal diseases or conditions arising therefrom.

e. Injuries received by drivers or mechanics of aircraft, automobiles or motorcycles while racing or practicing for races.

f. Hospital, nurse, or ambulance service for diseases subject to quarantine, or for afflictions or diseases that become epidemic, but O. P. S. will furnish physician's services and necessary medicines for such diseases.

12. EMERGENCY PHYSICIANS: In the event that serious injury or illness is sustained by a Subscriber and the services of O. P. S. authorized physicians are not available, Employer or Subscriber may call the nearest available licensed doctor of medicine to render emergency services to such injured or ill Subscriber, until such time as a staff

physician of O. P. S. can give said Subscriber attention, and the expense of such emergency treatment will be defrayed by O. P. S. to the extent of its regular rates for such services to its staff physicians and surgeons, and not otherwise. Subscriber, or his employer, shall immediately notify O. P. S. that said injured or ill Subscriber is in need of medical attention and is being attended by an emergency physician. Emergency treatment does not include surgical operation, except when specifically authorized by O. P. S.

13. SUBROGATION: In the event that Subscriber shall be injured through the negligence of some person other than his employer, O. P. S. shall be subrogated to the rights of said Subscriber against said negligent party to the extent of disbursements expended by it for Subscriber's benefit under this contract, and acceptance by Subscriber of benefits under this contract shall constitute his agreement to such subrogation and his assent that O. P. S. may enforce the rights of Subscriber in his name against such negligent party with respects to such disbursements.

14. PAYMENTS:

a. In consideration of the foregoing agreements by O. P. S., Employer agrees to pay to O. P. S. the amounts hereinafter stated at the times hereinafter stated. Said amounts are to be deducted by the Employer from wages of his employees who are Subscribers and shall be set aside and held in trust by Employer for the benefit of O. P. S. until paid over to O. P. S. as hereinafter provided. O. P. S. may at reasonable times examine the payroll of the Employer for the purpose of auditing same in connection with the amounts agreed to be paid O. P. S. by Employer.

b. During the first year in which this agreement remains in force, Employer agrees to pay to O. P. S. on or before the 15th day of each month the sum of.....per month for each Subscriber covered under this contract.

c. The rate per Subscriber per month for the second and each succeeding year of this agreement to be collected by Employer and paid to O. P. S. each month as above provided shall be determined during the first month of the second and each succeeding year upon the following basis:

It is contemplated by the parties hereto and O. P. S. agrees that the amounts expended by O. P. S. under this

contract during any one year for the benefit of Subscribers shall equal at least 85% of the total income of O. P. S. from this contract. During the first month of the second and each succeeding year that this agreement remains in force O. P. S. will submit to Employer a statement showing the total income of O. P. S. under this agreement for the preceding year and its total expenditures under this contract for the benefit of Subscribers during said period. The figures so submitted by O. P. S. shall be conclusive as to the amounts expended. Based upon such figures for the preceding year, the monthly rate per Subscriber for the succeeding year shall be fixed at an amount which, if it had been so fixed during the preceding year, would have
3822 resulted in the total expenditures by O. P. S. for the benefit of Subscribers during said year equalling 85% of the total income of O. P. S. under this agreement. The foregoing provision for change in the monthly rate per Subscriber for succeeding years may be waived at the option of the party which would benefit by the rate change.

d. In case any Subscriber for whom Employer has paid to O. P. S. the amounts fixed in paragraph 12 (b), or (c), supra; for any monthly period, or in case any Subscriber from whose wages the Employer has deducted such amount for such period shall leave the employ of Employer before said period shall have expired, such Subscriber shall nevertheless be entitled to all benefits provided by this agreement for injuries and diseases which may occur to said Subscriber during the period of time for which said payment or deduction has been made.

15. TERMINATION OF CONTRACT:

a. This contract shall take effect on the ..... day of ....., 1944, at 12:01 o'clock A. M., and shall remain in full force and effect for ..... thereafter, provided that unless one party to this agreement give to the other at least thirty days before the expiration of said period, written notice of its election that the agreement shall terminate at said time, said agreement will continue in full force and effect from year to year unless at least thirty days prior to the expiration of any year, one party shall give to the other written notice of its election so to terminate.

b. In the event of breach of this agreement by one of the parties hereto, the other party may cause written no-

tice thereof to be served upon the offending party and at the expiration of thirty days after service of such notice, this agreement shall become null and void unless prior thereto the offending party resumes his obligations hereunder and compensates the injured party for damages sustained by reason of such breach.

c. Upon termination of this contract for any reason, all Subscribers shall be entitled to the benefits provided herein for any condition which may have arisen prior to such termination, and shall receive such benefits as though said contract shall not have been terminated, provided that such Subscriber had applied for or had received treatment before the date of termination.

EXECUTED in duplicate originals this.....day of ....., 1944.

OREGON PHYSICIANS' SERVICE

By.....
General-Division Manager

.....
Employer

By.....
Title

Plaintiff's Exhibit 139

3823

OREGON PHYSICIANS' SERVICE

FULL COVERAGE MEDICAL AND HOSPITAL AGREEMENT

(Sickness and Non-Occupation Accidents)

THIS AGREEMENT, made and entered into this ..... day of ....., 19...., by and between OREGON PHYSICIANS' SERVICE, and Oregon corporation with offices located at Salem, Portland and Medford, Oregon, licensed to conduct the business of a hospital association under the laws of the State of Oregon, hereinafter called O. P. S., and ..... hereinafter called the Employer.

WITNESSETH: That O. P. S., for and in consideration of the sum or sums of money paid to it by the Employer,

within the time or times hereinafter mentioned, hereby agrees to make available to each employe covered under this contract with the Employer and working in connection with the Employer's operations at .....
....., from time to time during the life of this contract, as occasions demands, and bear the expense thereof, medical and surgical services, hospital accommodations, ambulance service, dental and other benefits as follows:

In accordance with Chapter 344, Oregon Laws, 1941, any employe may reject the coverage of this contract at the time the contract is entered into or at the time of his employment, if written notice to the employer of his desire so to do, or, having been under this contract, by giving such notice thirty days in advance of its anniversary date. It is agreed that the employer shall not retain any portion of the wages of any employe who has filed a notice of rejection, and such employe shall not be entitled to any of the benefits of this contract; provided that any employe who has filed such notice of rejection shall, by withdrawing his rejection and subject to acceptance by O. P. S., have the right to come under the coverage of this contract at a future date to be agreed upon with O. P. S.

It is further agreed that O. P. S. shall render a warranty of service fulfillment in the event that the employes of the employer have heretofore been under the protection of a medical and hospital service agreement issued by another medical contractor immediately prior to the effective date of this agreement. In such an event said warranty of service fulfillment shall be executed by O. P. S. and affixed to this agreement.

1. *Medical and Surgical Service*: O. P. S. will bear the expense of necessary medical and surgical treatment, except as hereinafter set forth, required by any such employe for sickness or non-occupational injuries, when furnished by physicians and surgeons of the staff of O. P. S., who are authorized to render such services at their offices, at cooperating hospitals, at the employe's home or at the location of an emergency illness or injury. It is agreed that service outside of a physician's office will be provided only when the illness or injury of the employe requiring service is of too serious a nature to permit him to call at a physician's or surgeon's office. It is particularly agreed and understood that each and every employe covered by

this contract shall be entitled to unrestricted choice of available physicians from the O. P. S. list of member physicians in the treatment of any illness or injury, excepting that O. P. S. shall retain the right to direct the medical or surgical procedure in every case when, in the opinion of O. P. S., such direction is required for the welfare of the patient.

2. *Emergency Care*: In the event that an injury or illness is sustained within the State of Oregon by an employe entitled to these benefits and the services of authorized O. P. S. physicians are not available the Employer or the employe may call the nearest available doctor of medicine, licensed by the State Board of Medical Examiners, to render emergency services to such injured or ill employe until such time as an authorized O. P. S. physician can render said employe attention, and the expense of the emergency treatment will be defrayed by O. P. S. at regular O. P. S. rates for such service. It shall be the duty of the Employer or other involved party to notify immediately O. P. S. that said injured or ill employe is in need of medical
3824 attention and is being attended by an emergency physician, and the failure so to do shall relieve O. P. S. of all further responsibility and care of said employe excepting for actual emergency treatment. Emergency treatment includes surgical operations only when specifically authorized by O. P. S.

3. *Care of Traveling Employes*: Employes who are entitled to the benefits of this agreement and may be injured or taken sick while outside of the State of Oregon shall be entitled to the service of a licensed doctor of medicine, and hospital service for serious cases, in the nearest city or town where the same may be available, said services to be paid for by O. P. S. on the basis of regular O. P. S. rates for such services. It shall be the duty of the injured or ill employe to notify O. P. S. as soon as possible that he is in need of or is receiving medical care. Failure on the part of said employe to give such notice to O. P. S. shall relieve O. P. S. from all obligations or liability in connection with any services other than emergency treatment. It is understood that emergency treatment includes surgical operations and extended hospital care only when specifically authorized by O. P. S. Services hereunder are limited to the Continental United States.

4. *Specialists*: Services of O. P. S. staff specialists will be provided upon the recommendations of any attending staff physicians and surgeons. Services of eye, ear, nose and throat specialists will be furnished when needed for the care of injury or disease of the eye, ear, nose or throat.

5. *Dental Service*: Dental service shall be provided by O. P. S. staff dentists to the extent of the extraction of teeth and treatment of acute gum trouble for the purpose of immediate relief. Extractions are limited to not more than four teeth in any one case excepting that a staff physician may authorize additional extractions for the treatment of systemic sickness. Treatment for Vincent's Angina or trench mouth will be furnished as well as dental X-ray when ordered by attending physician.

6. *Medicines for Hospitalized Patients*: O. P. S. will furnish all necessary medicines, medical and surgical supplies which may be used or prescribed by O. P. S. staff physicians or surgeons in the treatment of said employes while they are receiving necessary care in recognized hospitals as stipulated in this agreement. Serums and antitoxins will be furnished for the treatment and/or prevention of virulent diseases specifically including pneumonia, diptheria, typhoid fever, smallpox, erysipelas, tetanus, infantile paralysis, meningitis, scarlet fever, undulant fever, rabies, malaria fever, amoebic dysentery when such use constitutes accepted therapy of prophylaxis. Insulin will be furnished in the treatment of diabetes.

7. *First-Aid Supplies*: First aid supplies for the use of employes in sickness and non-occupational accident cases will be provided and delivered to the Employer, and will be maintained during the life of this contract at such places as may be indicated by the Employer. All unused supplies are to be returned to O. P. S. at the termination of this contract. Whenever feasible, O. P. S. also will furnish first aid supplies for industrial accidents in accordance with the regulations of the industrial insurance carrier.

8. *Hospital Service*: O. P. S. will bear the expense of hospital service and accommodations when required for the treatment of such employes in approved general hospitals, as may be arranged for by O. P. S. Such hospital service shall include ward accommodations, board, hospital staff nurse, use of surgery, X-rays, laboratory service, and medical and surgical attendance.

Private rooms will be provided in those cases of a serious nature which in the judgment of the attending physicians require quiet surroundings and special care. Should any such injured or ill employee not require special services but nevertheless desire a private room in said hospital, O. P. S. agrees to pay such proportion of the cost of such room as O. P. S. would be required to pay for ward service during the same period of time.

3825 9. *Ambulance Service*: O. P. S. shall provide the necessary ambulance service or other appropriate transportation for conveying the seriously sick and injured to such hospitals as are appointed by O. P. S. to render hospital service in the event that ordinary available transportation shall not be suitable.

10. *Special Nurses*: Services of special nurses shall be provided for serious hospitalized cases when in the judgment of the attending physicians or surgeons special nurse service is required.

11. *X-ray Service*: X-ray service shall be provided in cases of suspected fracture, and in all other injury or medical cases when use of X-ray shall be deemed advisable by the attending physicians or surgeons.

12. *Physical-Therapy*: Physical-therapy treatments shall be provided in all cases when in the judgment of the attending physicians or surgeons such treatment shall be indicated.

13. *Physical Examinations*: One yearly examination of the entire body, including examination of the heart, lungs, blood pressure, hemoglobin blood test and analysis of the urine will be made by physician members of O. P. S. upon request of the employe. Wasserman tests, blood counts, fluoroscopic and X-ray examinations are not included excepting when the examining physician finds specific need for same and obtains authorization. Examinations requiring certification are not furnished, nor will examinations be provided during the first 6 months of membership in the association, excepting as provided in Section 17 (c).

14. *Refractions*: Eye examinations and testing for glasses will be furnished by O. P. S. eye specialists, providing that the employe has been continuously under protection for at least 3 months, unless this service is necessary in the treatment of an acute illness or injury. Glasses will not be furnished by O. P. S.

15. *Prophylaxes*: O. P. S. will furnish such prophylactic measures as may be necessary in preventing the spread of disease among employes of the Employer. This service includes cooperation with the State Board of Health in the analysis of drinking water and general sanitation work. Vaccination and inoculation of employes including furnishing of vaccines and serums, will be provided in the treatment of and to prevent infection and spread of virulent diseases such as smallpox, typhoid fever, pneumonia, tetanus, etc.

16. *Welfare Department*: O. P. S. will maintain a welfare department through which it will report to the Employer the condition and progress of patients under its care as requested by the Employer, and will report on such other matters as in its judgment are of special interest to the Employer, including matters which may in any manner affect claims for Workman's Compensation and those affecting the general welfare of the employes of the Employer.

17. *Medical, Surgical and Hospital Coverages*: It is mutually understood and agreed that this agreement shall cover hospital, medical and surgical treatment, and other services as hereinbefore provided in the following cases:

a. All accidental injuries received by an employe during the term of his coverage excepting industrial accidents.

b. All acute sickness suffered by an employe at any time during the term of his coverage, excepting acute illnesses diagnosed and/or being treated at the time the employe is first covered under this agreement.

c. Chronic conditions that become acute will be treated for all present covered employes, providing that such conditions did not originate prior to the time that such employes were first protected under O. P. S. Full Coverage Medical Service or under a like or substantially similiar service of another medical contractor, when such coverage is immediately preceding coverage under this agreement. Future em-
3826 ployes will be entitled to coverage for chronic conditions that become acute providing such conditions did not become active or manifest themselves during the employe's first six months of member-

ship. This will include hospital care and medical care and surgical care when needed for such conditions as goiter, stomach ulcers, gall stones, kidney stones, traumatic deviated septums, sinus conditions, hernia, cancer (including treatment by radium), diseased tonsils, tuberculosis, neoplasms, chronic appendicitis, diseases of the prostate gland and diseases of the female reproductive organs. Chronic conditions originating prior to the time that such employes were first protected under O. P. S. full coverage medical service or under a similar service of another medical contractor are not covered by this contract. "Chronic conditions" as used herein are those conditions of prolonged duration characterized by slowly progressing symptoms as differentiated from "acute conditions" which are defined as those ailments of receipt origin, coming speedily to a crisis and requiring immediate medical and/or surgical care.

18. *Exemptions and Limitations*:

a. The benefits of this agreement do not apply to industrial accidents, insanity, mental disorders, pregnancy or childbirth or their results, venereal diseases, alcoholism, drug addiction, pyorrhea unerupted impacted wisdom teeth, deformities, congenital physical defects, attempts at suicide, injuries resulting from professional competitive sports; nor to any condition that is active, diagnosed or under treatment at the time of the employe coming under this agreement, subject, however, to the provision of section (17) of this agreement, nor to injuries occurring to the employe prior to the date such employe comes under the terms of this agreement. The benefits likewise shall not apply to injuries resulting from acts of personal violence in which the injured employe was the aggressor, nor to injuries or illness sustained as a result of the use of intoxicating liquors, drugs or narcotics by the injured or ill employe and where the use of such intoxicating liquors, drugs or narcotics was the primary cause of the sustaining of such injuries or illness.

b. O. P. S. shall not be required to furnish hospital, nursing or ambulance services for diseases subject

to quarantine, but shall furnish physicians' services.

c. All benefits herein provided for are limited to one year from the date of first treatment of any particular condition involved, resulting from a separate and distinct cause. Hospital care is limited to six months and private rooms are limited to thirty days in any one case excepting that in any case involving cerebral conditions, tuberculosis, malignant neoplasms or cardiovascular renal disease the period of hospital service shall be limited to three months. O. P. S. liability for the furnishing of hospital and/or sanitarium care in cases of tuberculosis shall be limited to a cost not greater than that encountered in cases receiving care at the Oregon State Tuberculosis Hospital. It is understood that the period of thirty days provided herein for private rooms shall be considered as a part of the total hospital and/or sanitarium care as provided for herein. Special nursing care is limited to thirty days' service in any one case.

d. Materials for allergy treatments will not be furnished. O. P. S. will provide the services of physicians as required for the rendering of necessary blood transfusions, and the cost of furnishing blood will be assumed when provided by professional donors.

e. Injuries resulting from employment are not included in this agreement, it being understood that the medical, surgical and hospital care, etc., for such cases are under the supervision and control of the State Industrial Accident Commission, other insurance carrier, or the Employer.

3827 f. The benefits of this agreement do not apply to any injury or illness of any employe caused by the negligence or wrongful act of any other person except that if an employe entitled to the benefits of this agreement is injured or suffers illness because of the wrongful act or negligence of any other person and thereafter makes all reasonable effort to recover from said other person and anyone responsible for said other person, O. P. S. will supply to said employe all benefits of this agreement that cannot be made available with the funds recovered.

g. To make it financially possible for O. P. S. to furnish all the services stipulated herein, it is agreed between the parties hereto that employes requiring hospital care, surgical operations, or medical services for any of the conditions named herein, shall be entitled to the same only in hospitals appointed by O. P. S. for rendering such services, and by physicians, surgeons, and specialists listed on the staff of O. P. S. for this purpose, excepting as provided otherwise for emergency services.

19. *Arbitration Provisions*: Should O. P. S. or its attending physicians at any time during the life of this contract determine that any employe of the Employer is not entitled to the treatment or any treatment herein stipulated, and shall determine that such employe is in the class eliminated or partially eliminated from benefits herein contemplated, then, in that event, the Employer or the employe shall have the right to call in a competent and duly licensed practicing medical physician or surgeon, to examine such person for the purpose of determining whether or not the physicians of O. P. S. have correctly determined liability in the case as hereinbefore mentioned. If such consulting physician and the physicians of O. P. S. shall be unable to agree, then in that event, O. P. S. and the Employer shall select a competent skilled medical physician or surgeon, duly licensed under the laws of this State, as arbitrator to make examination and determine liability in the case, and furnish his determination to the parties hereto. When such determination shall be furnished, the same shall be final and if such determination shall be contrary to the determination of the physician or physicians of O. P. S., O. P. S. shall pay the fees of the consulting physicians and also a reasonable fee of the physician arbitrator. If the determination of the physician arbitrator shall substantially agree with the determination given by the physician or physicians of O. P. S., then, in that event, the said employe shall be responsible for the fees of such consulting physician and arbitrator physician.

20. *Payroll Deductions and Payments*: In consideration of the agreements hereinbefore set forth, to be kept and performed by O. P. S., the Employer agrees to pay O. P. S. on or before the fifteenth day of each and every month hereafter, during the time this agreement shall remain in effect, as follows:

a. Two Dollars and Fifty Cents ($2.50) for each employe covered under this contract who began his employment on or before the fifteenth day of the preceding calendar month and was employed four or more days in said month.

b. One Dollar and Twenty-five Cents ($1.25) for each employe who began his employment after the fifteenth day of the preceding calendar month and was employed four or more days in said month.

c. Ten Cents ($.10) per day for each employe who shall have been employed three days or less in the preceding calendar month.

d. The Employer shall not be required to pay to O. P. S. the hospital fee for the current month for any person who, upon entering the employment of the Employer, shall hold a certificate entitling him to medical, surgical and hospital accommodations in any medical service organization in Oregon or Washington. This exemption in the payment of hospital dues shall apply only to the month in which
3828 such employe begins his employment with the Employer. It is mutually agreed between the parties hereto that O. P. S. shall not be required to furnish any of the services stipulated herein for any accidental injury received outside of employment or for any sickness contracted during the period for which the Employer is exempted from paying hospital fees, it being the intention that for such injury or sickness said employe shall apply for hospital and medical services to the medical service organization represented by the certificate he holds.

e. It is further understood and agreed by and between the parties hereto that in case any employe for whom the Employer has paid to O. P. S. the hospital fees for any calendar month or payroll period, or has deducted such amount from the wages due said employe in settlement of same, shall leave the employ of the Employer before said calendar month or payroll period shall have expired he shall be entitled, notwithstanding such fact, to all the benefits provided by this agreement for injuries and diseases which O. P. S. undertakes by this contract to take care of, which may occur to said employe

during such period of time as such services are paid for.

f. When employes are temporarily away from their work because of plant shutdown, either due to seasonal shutdowns or labor disputes, may at their option retain their protection by applying individually to O. P. S. within 10 days of the date of the plant shutdown. It is, however, agreed that arrangements may be made, with the approval of the employer, among the employes or their representative to continue their protection by arranging for salary deductions of hospital dues upon their return to work for the months that protection was continued. Such protection shall not continue longer than 2 months without the actual payment of premiums monthly in advance.

g. The Employer agrees and promises that O. P. S. may, at proper times, examine the payroll of the Employer for the purpose of auditing the same in connection with the fees agreed to be paid by the Employer.

21. *Contingent Liability Protection*: It is specifically agreed that O. P. S. shall save the Employer harmless in the event that suit is brought or any judgment obtained against the Employer on any claim on account of alleged malpractice, neglect or any act of omission or commission on the part of O. P. S. or any of the agents of O. P. S.

22. It is understood and agreed by and between the parties hereto that this agreement shall remain in full force and effect from the ..... day of ....., 19...., to the thirty-first day of December, 19...., or for such part of said period as the parties hereto shall perform the duties herein provided for, and that this agreement can be terminated or rescinded by either party by rendering thirty days' notice in writing to the opposite party that the agreement herein contained is being violated. In the event that payments are not received from the Employer in accordance with Section (20) hereof, O. P. S. shall have the right to cancel this agreement at any time by rendering of fifteen days' notice in writing of such cancellation.

While by its terms this agreement expires on the thirty-first day of December, 19...., it is agreed that unless one party to this agreement gives to the other, at least thirty

days before the expiration of said period, written notice of its election that the agreement shall terminate at the said time, it will continue in full force and effect for the succeeding calendar year and thereafter will continue in full force and effect from year to year unless at least thirty days prior to the expiration of any calendar year one party shall give to the other written notice of its election so to terminate.

O. P. S. shall have the right to modify the benefits and/or adjust the consideration consistent with changing conditions to be effective the first day of any month by
3829 the rendering of written notice to the Employer concerning such revisions at least forty-five (45) days prior to the effective date of such revision. In such an event the employer shall have the privilege of terminating this agreement on the first of the month date of proposed change by sending written notice of such termination to O. P. S. at least fifteen (15) days prior to such date.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed, in duplicate, by their respective officers, pursuant to authority heretofore granted, as of the date first hereinabove written.

..... OREGON PHYSICIANS' SERVICE

Employer By .....
General-Division Manager

By .....
Title

Plaintiff's Exhibit 140

3830 OREGON PHYSICIANS' SERVICE

FULL COVERAGE MEDICAL AND HOSPITAL AGREEMENT

(Sickness and Non-Occupational Accidents)

THIS AGREEMENT, made and entered into this ..... day of ....., 19...., by and between OREGON PHYSICIAN'S SERVICE, an Oregon corporation with offices located at Salem, Portland and Medford, Oregon, licensed to conduct the business of a hospital association under the laws of the State of Oregon, hereinafter called O. P. S., and .... hereinafter called the Employer.

WITNESSETH: That O. P. S., for and in consideration of the sum or sums of money paid to it by the Employer, within the time or times hereinafter mentioned, hereby agrees to make available to each employe covered under this contract with the Employer and working in connection with the Employer's operations at ....., from time to time during the life of this contract, as occasion demands, and bear the expense thereof, medical and surgical services, hospital accommodations, ambulance service, dental and other benefits as follows:

In accordance with Chapter 344, Oregon Laws, 1941, any employe may reject the coverage of this contract at the time the contract is entered into or at the time of his employment, if written notice to the employer of his desire so to do, or, having been under this contract, by giving such notice thirty days in advance of its anniversary date. It is agreed that the employer shall not retain any portion of the wages of any employe who has filed a notice of rejection, and such employe shall not be entitled to any of the benefits of this contract; provided that any employe who has filed such notice of rejection shall, by withdrawing his rejection and subject to acceptance by O. P. S., have the right to come under the coverage of this contract at a future date to be agreed upon with O. P. S.

It is further agreed that O. P. S. shall render a warranty of service fulfillment in the event that the employes of the employer have heretofore been under the protection of a medical and hospital service agreement issued by another medical contractor immediately prior to the effective date of this agreement. In such an event said warranty of service fulfillment shall be executed by O. P. S. and affixed to this agreement.

1. *Medical and Surgical Service*: O. P. S. will bear the expense of necessary medical and surgical treatment, except as hereinafter set forth, required by any such employe for sickness or non-occupational injuries, when furnished by physicians and surgeons of the staff of O. P. S., who are authorized to render such services at their offices, at cooperating hospitals, at the employe's home or at the location of an emergency illness or injury. It is agreed that service outside of a physician's office will be provided only when the illness or injury of the employe requiring service is of too serious a nature to permit him to call at a physician's or surgeon's office. It is particularly agreed and understood that each and every employe covered by

this contract shall be entitled to unrestricted choice of available physicians from the O. P. S. list of member physicians in the treatment of any illness or injury, excepting that O. P. S. shall retain the right to direct the medical or surgical procedure in every case when, in the opinion of O. P. S., such direction is required for the welfare of the patient.

2. *Emergency Care*: In the event that an injury or illness is sustained within the State of Oregon by an employe entitled to these benefits and the services of authorized O. P. S. physicians are not available, the Employer or the employe may call the nearest available doctor of medicine, licensed by the State Board of Medical Examiners, to render emergency services to such injured or ill employe until such time as an authorized O. P. S. physician can render said employe attention, and the expense of the emergency treatment will be defrayed by O. P. S. at regular O. P. S. rates for such service. It shall be the duty of the Employer or other involved party to notify immediately O. P. S. that said injured or ill employe
3831 is in need of medical attention and is being attended by an emergency physician, and the failure so to do shall relieve O. P. S. of all further responsibility and care of said employe excepting for actual emergency treatment. Emergency treatment includes surgical operations only when specifically authorized by O. P. S.

3. *Care of Traveling Employes*: Employes who are entitled to the benefits of this agreement and may be injured or taken sick while outside of the State of Oregon shall be entitled to the service of a licensed doctor of medicine, and hospital service for serious cases, in the nearest city or town where the same may be available, said services to be paid for by O. P. S. on the basis of regular O. P. S. rates for such services. It shall be the duty of the injured or ill employe to notify O. P. S. as soon as possible that he is in need of or is receiving medical care. Failure on the part of said employe to give such notice to O. P. S. shall relieve O. P. S. from all obligations or liability in connection with any services other than emergency treatment. It is understood that emergency treatment includes surgical operations and extended hospital care only when specifically authorized by O. P. S. Services hereunder are limited to the Continental United States.

4. *Specialists*: Services of O. P. S. staff specialists will be provided upon the recommendations of any attending staff physicians and surgeons. Services of eye, ear, nose and throat specialists will be furnished when needed for the care of injury or disease of the eye, ear, nose or throat.

5. *Dental Service*: Dental service shall be provided by O. P. S. staff dentists to the extent of the simple extraction of teeth and treatment of acute gum trouble for the purpose of immediate relief. Extractions are limited to not more than four teeth in any one case excepting that a staff physician may authorize additional extractions for the treatment of systemic sickness. Services for extraction of erupted impacted wisdom teeth are provided only when an attending physician may recommend such extraction as necessary treatment of a systemic sickness. Unerputed impacted wisdom teeth are not covered at any time. Treatment for Vincent's Angina or trench mouth will be furnished as well as dental X-ray when ordered by attending physician.

6. *Medicines for Hospitalized Patients*: O. P. S. will furnish all necessary medicines, medical and surgical supplies which may be used or prescribed by O. P. S. staff physicians or surgeons in the treatment of said employes while they are receiving necessary care in recognized hospitals as stipulated in this agreement. Serums and antitoxins will be furnished for the treatment and/or prevention of virulent diseases specifically including pneumonia, diphtheria, typhoid fever, smallpox, erysipelas, tetanus, infantile paralysis, meningitis, scarlet fever, undulent fever, rabies, malaria fever, amoebic dysentery, where the employe has definitely been exposed or has contracted the disease and such use constitutes accepted therapy or prophylaxis.

7. *First Aid Supplies*: First aid supplies for the use of employes in sickness and non-occupational accident cases will be provided and delivered to the Employer, and will be maintained during the life of this contract at such places as may be indicated by the Employer. All unused supplies are to be returned to O. P. S. at the termination of this contract. If requested, O. P. S. will provide first aid supplies and equipment for industrial accidents at the expense of, and by pre-arrangement with, the agency responsible for industrial medical aid care.

8. *Hospital Service*: O. P. S. will bear the expense of hospital service and accommodations when required for

the treatment of such employes in approved general hospitals, as may be arranged for by O. P. S. Such hospital service shall include ward accommodations, board, hospital staff nurse, use of surgery, X-rays, laboratory service, and medical and surgical attendance.

Private rooms will be provided in those cases of a serious nature which in the judgment of the attending physicians require quiet surroundings and special care. Should any such injured or ill employe not require special services but nevertheless desire a private room in said hospital, O. P. S. agrees to pay such proportion of the cost of such room as O. P. S. would be required to pay for ward service during the same period of time.

3832 9. *Ambulance Service*: O. P. S. shall provide the necessary ambulance service or other appropriate transportation for conveying the seriously sick and injured to such hospitals as are appointed by O. P. S. to render hospital service in the event that ordinary available transportation shall not be suitable.

10. *Special Nurses*: Services of special nurses shall be provided for serious hospitalized cases when in the judgment of the attending physicians or surgeons special nurse service is required.

11. *X-ray Service*: X-ray service shall be provided in cases of suspected fracture, and in all other injury or medical cases when use of X-ray shall be deemed advisable by the attending physicians or surgeons.

12. *Physical-Therapy*: Physical-therapy treatments shall be provided in all cases when in the judgment of the attending physicians or surgeons such treatment shall be indicated.

13. *Physical Examinations*: One yearly examination of the entire body, including examination of the heart, lungs, blood pressure, hemoglobin blood test and analysis of the urine will be made by physician members of O. P. S. upon request of the employe. Wasserman tests, blood counts, fluoroscopic and X-ray examinations are not included excepting when the examining physician finds specific need for same and obtains authorization. Examinations requiring certification are not furnished, nor will examinations be provided during the first 6 months of membership in O. P. S., excepting as provided in Section 17 (c).

14. *Refractions*: Eye examinations and testing for glasses will be furnished by O. P. S. eye specialists, providing that the employe has been continuously under protection for at least 3 months, unless this service is necessary in the treatment of an acute illness or injury. Glasses will not be furnished by O. P. S.

15. *Prophylaxes*: O. P. S. will furnish such prophylactic measures as may be necessary in preventing the spread of disease among employes of the Employer. This service includes cooperation with the State Board of Health in the analysis of drinking water and general sanitation work. Vaccination and inoculation of employes including the furnishing of vaccines and serums, will be provided in the treatment of and to prevent infection and spread of virulent diseases such as smallpox, typhoid fever, pneumonia, tetanus, etc. when the employe has been definitely exposed or has contracted the disease and such use constitutes accepted therapy or prophylaxes.

16. *Welfare Department*: O. P. S. will maintain a welfare department through which it will report to the Employer the condition and progress of patients under its care as requested by the Employer, and will report on such other matters as in its judgment are of special interest to the Employer, including matters which may in any manner affect claims for Workmen's Compensation and those affecting the general welfare of the employes of the Employer.

17. *Medical, Surgical and Hospital Coverages*: It is mutually understood and agreed that this agreement shall cover hospital, medical and surgical treatment, and other services as hereinbefore provided in the following cases:

a. All accidental injuries received by an employe during the term of his coverage excepting industrial accidents.

b. All acute sickness suffered by an employe at any time during the term of his coverage, excepting acute illness diagnosed and/or being treated at the time the employe is first covered under this agreement.

c. Chronic conditions that become acute will be treated for all present covered employes, providing that such conditions did not originate prior to the time that such employes were first protected under O. P. S. Full Coverage Medical Service or under a like or sub-

stantially similar service of another medical contractor, when such coverage is immediately preceding coverage under this agreement. Future
3833 employes will be entitled to coverage for chronic conditions that become acute providing such conditions did not become active or manifest themselves during the employe's first six months of membership. This will include hospital care and medical and surgical care when needed for such conditions as goiter, stomach ulcers, gall stones, kidney stones, traumatic deviated septums; sinus conditions, hernia, cancer (including treatment by radium), diseased tonsils, tuberculosis, neoplasms, chronic appendicitis, diseases of the prostate gland and diseases of the female reproductive organs. Chronic conditions originating prior to the time that such employes were first protected under O. P. S. full coverage medical service or under a similar service of another medical contractor are not covered by this contract. "Chronic conditions" as used herein are those conditions of prolonged duration characterized by slowly progressing symptoms as differentiated from "acute conditions" which are defined as those ailments of recent origin, coming speedily to a crisis and requiring immediate medical and/or surgical care.

18. *Exceptions and Limitations:*

a. The benefits of this agreement do not apply to industrial accidents, insanity, mental disorders, pregnancy or childbirth or their results, venereal diseases, alcoholism, drug addition, pyorrhea, unerupted impacted wisdom teeth, deformities, congenital physical defects, attempts at suicide, injuries resulting from professional competitive sports; nor to any condition that is active, diagnosed or under treatment at the time of the employe coming under this agreement, subject, however, to the provision of section (17) of this agreement, nor to injuries occurring to the employe prior to the date such employe comes under the terms of this agreement. The benefits likewise shall not apply to injuries resulting from acts of personal violence in which the injured employe was the aggressor, nor to injuries or illness sustained as a result of the use of intoxicating liquors, drugs or narcotics by the injured or ill employe and where the use of such

intoxicating liquors, drugs or narcotics was the primary cause of the sustaining of such injuries or illness.

b. O. P. S. shall not be required to furnish hospital, nursing or ambulance services for diseases subject to quarantine, but shall furnish physicians' services.

c. All benefits herein provided for are limited to one year from the date of first treatment of any particular condition involved, resulting from a separate and distinct cause. Hospital care is limited to six months and private rooms are limited to thirty days in any one case, excepting that in any case involving cerebral conditions, tuberculosis, malignant neoplasms or cardiovascular renal disease the period of hospital service shall be limited to three months. O. P. S. liability for the furnishing of hospital and/or sanitarium care in cases of tuberculosis shall be limited to a cost not greater than that encountered in cases receiving care at the Oregon State Tuberculosis Hospital. It is understood that the period of thirty days provided herein for private rooms shall be considered as a part of the total hospital and/or sanitarium care as provided for herein. Special nursing care is limited to thirty days' service in any one case.

d. Materials for allergy treatments will not be furnished. O. P. S. will provide the services of physicians as required for the rendering of necessary blood transfusions, and the cost of furnishing blood will be assumed when provided by professional donors.

e. Injuries resulting from employment are not included in this agreement, it being understood that the medical, surgical and hospital care, etc., for such cases are under the supervision and control of the State Industrial Accident Commission, other insurance carrier, or the Employer.

3834 f. The benefits of this agreement do not apply to any injury or illness of any employe caused by the negligence or wrongful act of any other person except that if an employe entitled to the benefits of this agreement is injured or suffers illness because of the wrongful act or negligence of any other person and thereafter makes all reasonable effort to

recover from said other person and anyone responsible for said other person, O. P. S. will supply to said employe all benefits of this agreement that cannot be made available with the funds recovered.

g. To make it financially possible for O. P. S. to furnish all the services stipulated herein, it is agreed between the parties hereto that employes requiring hospital care, surgical operations, or medical services for any of the conditions named herein, shall be entitled to the same only in hospitals appointed by O. P. S. for rendering such services, and by physicians, surgeons and specialists listed on the staff of O. P. S. for this purpose, excepting as provided otherwise for emergency services.

19. *Arbitration Provisions*: Should O. P. S. or its attending physicians at any time during the life of this contract determine that any employe of the Employer is not entitled to the treatment or any treatment herein stipulated, and shall determine that such employe is in the class eliminated or partially eliminated from benefits herein contemplated, then, in that event, the Employer or the employe shall have the right to call in a competent and duly licensed practicing medical physician or surgeon, to examine such person for the purpose of determining whether or not the physicians of O. P. S. have correctly determined liability in the case as hereinbefore mentioned. If such consulting physician and the physicians of O. P. S. shall be unable to agree, then in that event, O. P. S. and the Employer shall select a competent skilled medical physician or surgeon, duly licensed under the laws of this State, as arbitrator to make examination and determine liability in the case, and furnish his determination to the parties hereto. When such determination shall be furnished, the same shall be final and if such determination shall be contrary to the determination of the physician or physicians of O. P. S., O. P. S. shall pay the fees of the consulting physicians and also a reasonable fee of the physician arbitrator. If the determination of the physician arbitrator shall substantially agree with the determination given by the physician or physicians of O. P. S. then, in that event, the said employe shall be responsible for the fees of each consulting physician and arbitrator physician.

20. *Payroll Deductions and Payments*: In consideration of the agreements hereinbefore set forth, to be kept and

performed by O. P. S., the Employer agrees to pay O. P. S. on or before the fifteenth day of each and every month hereafter, during the time this agreement shall remain in effect, as follows:

a. Three Dollars ($3.00) for each employe covered under this contract who began his employment on or before the fifteenth day of the preceding calendar month and was employed four or more days in said month.

b. One Dollar and Fifty Cents ($1.50) for each employe who began his employment after the fifteenth day of the preceding calendar month and was employed four or more days in said month.

c. Ten Cents ($.10) per day for each employe who shall have been employed three days or less in the preceding calendar month.

d. The Employer shall not be required to pay to O. P. S. the hospital fee for the current month for any person who, upon entering the employment of the Employer, shall hold a certificate entitling him to medical, surgical and hospital accommodations in any medical service organization in Oregon or Washington. This exemption in the payment of hospital dues shall apply only to the month in which such employe
3835 begins his employment with the Employer. It is mutually agreed between the parties hereto that O. P. S. shall not be required to furnish any of the services stipulated herein for any accidental injury received outside of employment or for any sickness contracted during the period for which the Employer is exempted from paying hospital fees, it being the intention that for such injury or sickness said employe shall apply for hospital and medical services to the medical service organization represented by the certificate he holds.

e. It is further understood and agreed by and between the parties hereto that in case any employe for whom the Employer has paid to O. P. S. the hospital fees for any calendar month or payroll period, or has deducted such amount from the wages due said employe in settlement of same, shall leave the employ of the Employer before said calendar month or payroll period shall have expired he shall be entitled,

notwithstanding such fact, to all the benefits provided by this agreement for injuries and diseases which O. P. S. undertakes by this contract to take care of, which may occur to said employe during such period of time as such services are paid for.

f. When employes are temporarily away from their work because of plant shutdown, either due to seasonal shutdowns or labor disputes, may at their option retain their protection by applying individually to O. P. S. within 10 days of the date of the plant shutdown. It is, however, agreed that arrangements may be made, with the approval of the employer, among the employes or their representative to continue their protection by arranging for salary deductions of hospital dues upon their return to work for the months that protection was continued. Such protection shall not continue longer than 2 months without the actual payment of premiums monthly in advance.

g. The Employer agrees and promises that O. P. S. may, at proper times, examine the payroll of the Employer for the purpose of auditing the same in connection with the fees agreed to be paid by the Employer.

21. *Continent Liability Protection*: It is specifically agreed that O. P. S. shall save the Employer harmless in the event that suit is brought or any judgment obtained against the Employer or any claim on account of alleged practice, neglect or any act of omission or commission on the part of O. P. S. or any of the agents of O. P. S.

22. It is understood and agreed by and between the parties hereto that this agreement shall remain in full force and effect from the ..... day of ....., 19...., to the thirty-first day of December, 19 ...., or for such part of said period as the parties hereto shall perform the duties herein provided for, and that this agreement can be terminated or rescinded by either party by rendering thirty days' notice in writing to the opposite party that the agreement herein contained is being violated. In the event that payments are not received from the Employer in accordance with Section (20) hereof, O. P. S. shall have the right to cancel this agreement at any time by rendering of fifteen days' notice in writing of such cancellation.

While by its terms this agreement expires on the thirty-first day of December, 19 ...., it is agreed that unless one

party to this agreement gives to the other, at least thirty days before the expiration of said period, written notice of its election that the agreement shall terminate at the said time, it will continue in full force and effect for the succeeding calendar year and thereafter will continue in full force and effect from year to year unless at least thirty days prior to the expiration of any calendar year one party shall give to the other written notice of its election so to terminate.

3836 O. P. S. shall have the right to modify the benefits and/or adjust the consideration consistent with changing conditions to be effective the first day of any month by the rendering of written notice to the Employer concerning such revision at least forty-five (45) days prior to the effective date of such revision. In such an event the Employer shall have the privilege of terminating this agreement on the first of the month date of proposed change by sending written notice of such termination to O. P. S. at least fifteen (15) days prior to such date.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed, in duplicate, by their respective officers, pursuant to authority heretofore granted, as of the date first hereinabove written.

..... OREGON PHYSICIANS' SERVICE

Employer

By ..... By .....

Manager

Plaintiff's Exhibit 142

3837 OREGON PHYSICIANS' SERVICE

FULL COVERAGE MEDICAL AND HOSPITAL AGREEMENT

(Sickness and Non-Occupational Accidents)

THIS AGREEMENT, made and entered into this ..... day of ....., 19....., by and between OREGON PHYSICIANS' SERVICE, an Oregon corporation with its principal offices located at Salem, Portland, and Medford, Oregon, licensed to conduct the business of a hospital association under the laws of the State of Oregon, hereinafter called O. P. S., and .....

..... group.

WITNESSETH: That O. P. S., for and in consideration of the sum or sums of money paid to it by the subscribing members of the group, within the time or times hereinafter mentioned, hereby agrees to make available to each Subscriber covered under this contract, from time to time during the life of this contract, as occasion demands, and bear the expense thereof, medical and surgical services, hospital accommodations, ambulance service, dental and other benefits as follows:

1. *Medical and Surgical Service*: O. P. S. will bear the expense of necessary medical and surgical treatment, except as hereinafter set forth, required by any such Subscriber for sickness or non-occupational injuries, when furnished by physicians and surgeons of the staff of O. P. S., who are authorized to render such services at their offices, at cooperating hospitals, at the Subscriber's home or at the location of an emergency illness or injury. It is agreed that service outside of a physician's office will be provided only when the illness or injury of the Subscriber requiring service is of too serious a nature to permit him to call at a physician's or surgeon's office. It is particularly agreed and understood that each and every subscriber covered by this contract shall be entitled to unrestricted choice of available physicians from the O. P. S. list of member physicians in the treatment of any illness or injury, excepting that O. P. S. shall retain the right to direct the medical or surgical procedure in every case when, in the opinion of O. P. S., such direction is required for the welfare of the patient.

2. *Emergency Care*: In the event that an injury or illness is sustained within the State of Oregon by a Subscriber entitled to these benefits and the services of authorized O. P. S. physicians are not available the Subscriber may call the nearest available doctor of medicine, licensed by the State Board of Medical Examiners, to render emergency services to such injured or ill Subscriber until such time as an authorized O. P. S. physician can render said Subscriber attention, and the expense of the emergency treatment will be defrayed by O. P. S. at regular O. P. S. rates for such service. It shall be the duty of the Subscriber to notify immediately O. P. S. that he is in need of medical attention and is being attended by an emergency physician, and the failure so to do shall relieve O. P. S. of all further responsibility and care of said sub-

scriber excepting for actual emergency treatment. Emergency treatment includes surgical operations only when specifically authorized by O. P. S.

3. *Care For Traveling Subscribers*: Subscribers who are entitled to the benefits of this agreement and may be injured or taken sick outside of the State of Oregon shall be entitled to the service of licensed doctors of medicine, and hospital service for serious cases, in the nearest city or town where the same may be available, said services to be paid for by O. P. S. on the basis of regular O. P. S. rates for such services. It shall be the duty of the injured or ill subscriber to notify O. P. S. as soon as possible that he is in need of or is receiving medical care. Failure on the part of said Subscriber to give such notice to O. P. S. shall relieve O. P. S. from all obligations or liability in connection with any services other than emergency treatment. It is understood that emergency treatment includes surgical operations and extended hospital care only when specifically authorized by O. P. S. Services hereunder are limited to the Continental United States.

3838 4. *Specialists*: Services of O. P. S. staff specialists will be provided upon the recommendations of any attending staff physician and surgeon. Services of eye, ear, nose and throat specialists will be furnished when needed for the care of injury or disease of the eye, ear, nose or throat.

5. *Dental Service*: Dental service shall be provided by O. P. S. staff dentists to the extent of the extraction of teeth and treatment of acute gum trouble for the purpose of immediate relief. Extractions are limited to not more than four teeth in any one case excepting that a staff physician may authorize additional extractions for the treatment of systemic sickness. Treatment for Vincent's Angina or trench mouth will be furnished as well as dental X-rays when ordered by the attending physician.

6. *Medicines for Hospitalized Patients*: O. P. S. will furnish all necessary medicines, medical and surgical supplies which may be used or prescribed by O. P. S. staff physicians or surgeons in the treatment of said subscribers while they are receiving necessary care in recognized hospitals as stipulated in this agreement. Serums and antitoxins will be furnished for the treatment and/or prevention of virulent diseases specifically including pneumonia, typhoid fever, smallpox, tetanus, meningitis, scarlet

fever, undulant fever, rabies, malaria fever, amoebic dysentery and other ailments of a similar classification, when such use constitutes accepted therapy or prophylaxis. Insulin will be furnished in the treatment of diabetes.

7. *Hospital Service*: O. P. S. will bear the expense of hospital service and accommodations when required for the treatment of such Subscribers in approved general hospitals, as may be arranged for by O. P. S. Such hospital service shall include ward accommodations, board, hospital staff nurse, use of surgery, X-rays, laboratory service, and medical and surgical attendance.

Private rooms will be provided in those cases of a serious nature which in the judgment of the attending physicians require quiet surroundings and special care. Should any such injured or ill Subscriber not require special services but nevertheless desire a private room in said hospital, O. P. S. agrees to pay such proportion of the cost of such room as O. P. S. would be required to pay for ward service during the same period of time.

8. *Ambulance Service*: O. P. S. shall provide the necessary ambulance service or other appropriate transportation for conveying the seriously sick and injured to such hospitals as are appointed by O. P. S. to render hospital service in the event that ordinary available transportation shall not be suitable.

9. *Special Nurses*: Services of special nurses shall be provided for serious hospitalized cases when in the judgment of the attending physicians or surgeons special nurse service is required.

10. *X-ray Service*: X-ray service shall be provided in cases of suspected fracture, and in all other injury or medical cases when use of X-ray shall be deemed advisable by the attending physicians or surgeons.

11. *Physical-Therapy*: Physical-therapy treatments shall be provided in all cases when in the judgment of the attending physicians or surgeons such treatment shall be indicated.

12. *Physical Examinations*: One yearly examination of the entire body, including examination of the heart, lungs, blood pressure, hemoglobin blood test and analysis of the urine will be made by physician members of the O. P. S. upon request of the Subscriber. Wasserman tests, blood

counts, fluoroscopic and X-ray examinations are not included excepting when the examining physician finds specific need for same and obtains authorization. Examinations requiring certification are not furnished.

13. *Prophylaxes*: O. P. S. will furnish such prophylactic measures as may be necessary in preventing the spread of disease among Subscribers covered under this contract. This service includes cooperation with the State Board of Health in the analysis of drinking water and general sanitation work. Vaccination and inoculation of Subscribers, including the furnishing of vaccines and serums, will be provided in the treatment of and to prevent infection and spread of virulent diseases such as smallpox, typhoid fever, pneumonia, tetanus, etc.

3839 14. *Refractions*: Eyes will be examined or tested for glasses by O. P. S. eye specialists. Glasses will not be furnished by O. P. S.

15. *Medical, Surgical and Hospital Coverages*: It is mutually understood and agreed that this agreement shall cover hospital, medical and surgical treatment, and other services as hereinabove provided in the following cases:

a. All accidental injuries received by a Subscriber during the term of his coverage except injuries from accidents arising out of and in the course of Subscriber's employment.

b. All acute sickness suffered by a Subscriber at any time during the term of his coverage.

c. Chronic conditions that become acute will be treated for all present covered Subscribers, providing that such conditions did not originate prior to the time that such Subscribers were first protected under O. P. S. Full Coverage Medical Service or under a like or substantially similar service of another Medical Contractor, when such coverage is immediately preceding coverage under this agreement. Future Subscribers will be entitled to coverage for chronic conditions after they have been under the protection of O. P. S. Full Coverage Medical Service for a period of six consecutive months with the same limitations stated in the preceding sentence. This will include hospital care and surgical operations when needed for such conditions as goiter, stomach ulcers, gall stones, kidney stones, and other ailments of this nature. Credit will be given

Subscriber for membership elsewhere under the protection of O. P. S. Full Coverage Medical Service or of a similar Service of another Medical Contractor, when such membership is immediately preceding their membership under the protection of this contract. Chronic conditions originating prior to the time that such Subscribers were first protected under O. P. S. Full Coverage Medical Service, or under a similar Service of another Medical Contractor, are not covered by this contract.

d. Operations and treatments for traumatic deviated septums, acute sinus conditions, hernia, and diseased tonsils shall be furnished when needed, providing that such conditions did not originate prior to the time that the affected Subscribers were first protected under O. P. S. Full Coverage Service. Future Subscribers will be entitled to this service, with the same limitations, after they have been covered under the protection of O. P. S. Full Coverage Medical Service for six months.

e. Tuberculosis shall be treated, provided such condition was not active prior to the time this agreement becomes effective. Future Subscribers will be entitled to this service only when the condition does not become active within six months after they have been covered under the protection of O. P. S. Full Coverage Medical Service.

f. Cancer will be treated, including treatment by radium, provided such condition develops after this agreement becomes effective. Future Subscribers will be entitled to this Service only when the condition does not develop within six months after they have been covered under the protection of O. P. S. Full Coverage Medical Service.

g. "Chronic Conditions" as used herein are those conditions of prolonged duration characterized by slowly progressing symptoms as differentiated from "Acute Conditions" which are defined as those ailments of recent origin coming speedily to a crisis.

16. *Exemptions and Limitations*:

a. The benefits of this agreement do not apply to industrial accidents, insanity, pregnancy or childbirth or their results, venereal diseases, alcoholism, drug addiction, pyorrhea, deformities, congenital physical defects, attempts at suicide, nor to any condition that is active or manifestly existing at the time of the Subscriber coming under this

agreement, subject, however, to the provisions of section (15) of this agreement, nor to injuries occurring to the Subscriber prior to the date such Subscriber comes
3840 under the terms of this agreement. The benefits likewise shall not apply to injuries resulting from acts of personal violence in which the injured Subscriber was the aggressor, nor to injuries or illness sustained as a result of the use of intoxicating liquors, drugs or narcotics by the injured or ill Subscriber and where the use of such intoxicating liquors, drugs or narcotics was the primary cause of the sustaining of such injuries or illness.

b. O. P. S. shall not be required to furnish hospital, nursing or ambulance services for diseases subject to quarantine, or for afflictions or diseases that become epidemic, but shall furnish physicians' services.

c. All benefits herein provided for are limited to one year from the date of onset of any particular case involved. Hospital care is limited to six months and private rooms are limited to thirty days in any one case, excepting that in any case involving cerebral conditions, tuberculosis, malignant neoplasms or cardiovascular renal disease the period of hospital service shall be limited to three months. It is understood that the period of thirty days provided herein for private rooms shall be considered as a part of the total hospital and/or sanitarium care as provided for herein. Special nursing care is limited to thirty days' service in any one case.

d. Materials for allergy treatments will not be furnished. O. P. S. will provide the services of physicians as required for the rendering of necessary blood transfusions, and the cost of furnishing blood will be assumed when provided by professional donors.

e. Injuries resulting from employment are not included in this agreement, it being understood that the medical, surgical and hospital care, etc., for such cases are under the supervision and control of the State Industrial Accident Commission, other insurance carrier, or the Employer.

f. In the event of personal injury to any of the Subscribers subject to care under this agreement resulting from acts or omissions for which third parties are legally liable, O. P. S. shall be subrogated to the rights of the

injured Subscriber to the extent of the reasonable value of medical, surgical or hospital care or other services it has provided for the injured Subscriber.

g. To make it financially possible for O. P. S. to furnish all the services stipulated herein, it is agreed between the parties hereto that Subscribers requiring hospital care, surgical operations, or medical services for any of the conditions named herein, shall be entitled to the same only in hospitals appointed by O. P. S. for rendering such services, and by physicians, surgeons, and specialists listed on the staff of O. P. S. for this purpose, excepting as provided otherwise for emergency services.

17. *Arbitration Provisions*: Should O. P. S. or its attending physicians at any time during the life of this contract determine that any Subscriber is not entitled to the treatment or any treatment herein stipulated, and shall determine that such Subscriber is in the class eliminated or partially eliminated from benefits herein contemplated, then, in that event, Subscriber shall have the right to call in a competent and duly licensed practicing medical physician or surgeon, to examine such person for the purpose of determining whether or not the physicians of O. P. S. have correctly determined liability in the case as hereinbefore mentioned. If such consulting physician and the physicians of O. P. S. shall be unable to agree, then in that event, O. P. S. and the Subscriber shall select a competent skilled medical physician or surgeon, duly licensed under the laws of this State, as arbitrator to make examination and determine liability in the case, and furnish his determination to the parties hereto. When such determination shall be furnished, the same shall be final and if such determination shall be contrary to the determination of the physicians of O. P. S., O. P. S. shall pay the fees of the consulting physicians and also a reasonable fee of the physician arbitrator. If the determination of the physician arbitrator shall substantially agree with the determination given by the physician or physicians of O. P. S., then, in that event, the said Subscriber shall be responsible for the fees of such consulting physician and arbitrator physician.

3841 18. *Payments*: In consideration of the agreement hereinbefore set forth, to be kept and performed by O. P. S., the signer of this contract, or a designated assistant, agrees to remit to O. P. S. before the tenth of the

current month all dues collected by him from each member who subscribes to this contract.

a. ..... per month for each Subscriber covered under this contract.

19. It is understood and agreed by and between the parties hereto that this agreement shall remain in full force and effect from the ..... day of ....., 19....., to the thirty-first day of December, 19....., or for such part of said period as the parties hereto shall perform the duties herein provided for, and that this agreement can be terminated or rescinded by either party by rendering thirty days' notice in writing to the opposite party that the agreement herein contained is being violated. In the event that payments are not received from the signer of this contract, or a designated assistant, in accordance with section (18) hereof, O. P. S. shall have the right to cancel this agreement at any time by the rendering of ten days' notice in writing of such cancellation. Provided, further, that O. P. S. may at its option and upon giving sixty (60) days prior written notice of its intention so to do, make such changes in that contract affecting the rate to be charged or services to be rendered as may in the opinion of O. P. S. be necessary or desirable to the continuation of adequate and competent service. Failure, however, to give notice as specified herein of such contemplated change or changes shall have the effect of continuing this contract and all its terms and conditions according to the tenure thereof and without affecting the rights and privileges of Subscribers thereunder.

Upon termination of this contract for any reason, all Subscribers shall be entitled to the benefits provided herein for any condition which may have arisen prior to such termination, and shall receive such benefits as though said contract shall not have been terminated, provided that such Subscriber had applied for or had received treatment before the date of termination.

While by its terms this agreement expires on the thirty-first day of December, 19....., it is agreed that unless one party to this agreement gives to the other, at least fifteen days before the expiration of said period, written notice of its election that the agreement shall terminate at the said time, it will continue in full force and effect for the succeeding calendar year and thereafter will continue in full force and effect from year to year unless at least fifteen days prior to the expiration of any calendar

year one party shall give to the other written notice of its election so to terminate.

IN WITNESS WHEREOF, The parties hereto have caused these presents to be executed, in duplicate, pursuant to authority heretofore granted, as of the date first hereinabove written.

OREGON PHYSICIANS' SERVICE

By .....
General-Division Manager

..... (GROUP)

By .....
Collector

Plaintiff's Exhibit 143

3842

OREGON PHYSICIANS' SERVICE

FULL COVERAGE MEDICAL AND HOSPITAL CONTRACT

(Illness and Non-Occupational Accidents)

CONTRACT, made and entered into on this ..... day of ....., 19 ..... ;

BY AND BETWEEN OREGON PHYSICIANS' SERVICE, an Oregon corporation having offices situated at Salem, Portland and Medford, in the State of Oregon, and being licensed to conduct the business of an hospital association under the laws of the State of Oregon, hereinafter called "O. P. S.";

AND ....., hereinafter called "the Employer";

WITNESSETH: O. P. S., in consideration of the sums of money to be paid to it by the Employer as hereinafter provided, hereby agrees to procure, and make available, at the expense of O. P. S., to each employe entitled to the benefits of this contract with the Employer and working in connection with the Employer's operations at ...., from time to time as occasion demands during the life of this contract, medical and surgical services, hospital accommodations, ambulance service, dental service and other benefits as follows:

1. MEDICAL AND SURGICAL SERVICE: Except as otherwise provided in this contract, O. P. S. will bear the expense of necessary medical and surgical services required by each employe entitled to the benefits of this contract, for illness or non-occupational injury, such services to be rendered by physicians or surgeons authorized by O. P. S. (hereinafter, for convenience, sometimes called physicians, surgeons or specialists cooperating with O. P. S.), who will render such services at their respective offices, or at hospitals approved by O. P. S., or at the employe's home, or at the place of occurrence of an emergency illness or injury. Services elsewhere than at such physician's or surgeon's office will be procured only when the illness or injury of the employe requiring such services is such as to render him unable to travel to such physician's or surgeon's office. Each employe entitled to the benefits of this contract shall be allowed unrestricted choice from amongst available physicians and surgeons cooperating with O. P. S. for the treatment of injury or illness.

2. EMERGENCY CARE: If injury or illness shall occur within the State of Oregon to an employe entitled to the benefits of this contract and the services of a physician or surgeon cooperating with O. P. S. shall not be available to him, then, and in that event, either the Employer or the employe may obtain the services of the most conveniently available doctor of medicine licensed by the Oregon State Board of Medical Examiners, to render emergency services to such injured or ill employe until such time as a physician or surgeon cooperating with O. P. S. can render such employe his services, in which event the expense of such emergency services will be defrayed by O. P. S. to the extent of an amount equal to the established O. P. S. rates for such services. Either the Employer or such employe shall immediately notify O. P. S. of such injured or ill employe's requiring, and receiving, such emergency services. Failure so to notify O. P. S. shall relieve O. P. S. of all responsibility for the care of such employe other than for actual emergency treatment. Such emergency treatment shall include surgical operation or extended hospital care only when specifically authorized by O. P. S.

3. CARE OF TRAVELING EMPLOYES: An employe entitled to the benefits of this contract if injured or taken ill while out of the State of Oregon but within the continent of North America, and not elsewhere, shall be entitled to receive the services of a state-licensed doctor of medicine, and hospital

services for serious cases, in the nearest city or town in which such services may be available and the costs of such services shall be paid by O. P. S. to the extent of an amount equal to the established O. P. S. rates for such services. It shall be the duty of such injured or ill employe to notify O. P. S. as soon as possible of his requiring, and receiving, such services. Failure on the part of such employe to give such notice to O. P. S. shall relieve O. P. S. from all responsibility for the care of such employe other than for actual emergency treatment. Such emergency treatment shall include surgical operation or extended hospital care only when specifically authorized by O. P. S.

3843 4. SPECIALISTS: Services of specialists cooperating with O. P. S. will be procured on the recommendation of the attending physician or surgeon cooperating with O. P. S. Services of eye, ear, nose and throat specialists will be procured when required for the care of injury or disease of the eye, ear, nose or throat.

5. DENTAL SERVICES: Dental services of dentists authorized by O. P. S. will be procured to the extent of the simple extractions of teeth and treatment of acute gum trouble for the purpose of immediate relief. Extractions are limited to not more than four teeth in any one case excepting that a staff physician may authorize additional extractions for the treatment of systemic sickness. Services for extraction of erupted impacted wisdom teeth are provided only when an attending physician may recommend such extraction as necessary treatment of a systemic sickness. Unerupted impacted wisdom teeth are not covered at any time. Treatment for Vincent's Angina (trench mouth) will be procured, as well as dental X-ray, when ordered by a physician or surgeon cooperating with O. P. S. Treatment for pyorrhea is excluded from the coverage of this contract.

6. MEDICINES FOR HOSPITALIZED PATIENTS: O. P. S. will procure all necessary medicines, medical and surgical supplies which may be used or prescribed by physicians or surgeons cooperating with O. P. S. in the treatment of employes while receiving necessary care in general hospitals approved by O. P. S. as stipulated in this contract. Serums and antitoxins, and the administering thereof, will be procured for the treatment and prevention, or the treatment or prevention, of virulent diseases, including pneumonia, diphtheria, typhoid fever, smallpox, erysipelas, tetanus, in-

fantile paralysis, meningitis, scarlet fever, undulent fever, rabies, malaria fever and amoebic dysentery, in case the employe will definitely have been exposed to, or will have contracted, the disease and if such use will constitute accepted therapy or prophylaxis.

7. Hospital Services: O. P. S. will bear the expense of hospital services and accommodations, when required for the treatment of the employes, in general hospitals approved by O. P. S., and as will be authorized by O. P. S. Such hospital services will include ward accommodations, board, services of an hospital staff nurse, use of surgery, X-ray, laboratory service, and medical and surgical attendance, to the extent hereinafter provided. Private rooms will be procured in cases of serious nature, which in the judgment of the attending physicians or surgeons cooperating with O. P. S., require quiet surroundings and special care. Should the injured or ill employe not require special services, but desire a private room in such hospital, O. P. S. will pay such part of the cost of such private room as O. P. S. would be required to pay for ward service during the same period of time. O. P. S. shall not be liable to the Employer, or any employe, or other person, for its inability or failure to procure hospital ward accommodations or other hospital accommodations or other services or accommodations by reason of epidemic, disaster or other cause or condition beyond the control of O. P. S.

8. Ambulance Service: O. P. S. will procure, when necessary, ambulance service, or other appropriate transportation for conveying the seriously ill or injured employe to the nearest general hospital approved by O. P. S. for hospital service in the event that ordinary transportation shall not be appropriate.

9. Special Nursing: Special nursing services will be procured by O. P. S. for a serious, hospitalized case when, in the judgment of the attending physician or surgeon cooperating with O. P. S., special nursing services will be required.

10. X-Ray Service: X-ray service will be procured by O. P. S. in case of suspected fracture, and in other injury or medical cases, when use of X-ray shall be deemed advisable by the attending physician or surgeon cooperating with O. P. S.

11. Physical-Therapy: Physical-therapy will be procured by O. P. S. when, in the judgment of the attending

physician or surgeon cooperating with O. P. S. such treatment shall be indicated.

3844 12. PHYSICAL EXAMINATIONS: Subject to the further provisions of this contract, an examination of the entire body, including the heart, lungs, blood pressure, hemoglobin blood test and analysis of the urine will be made by a physician cooperating with O. P. S. upon request of the employes, whenever such an examination will not have been made within the preceding period of twelve months. Wasserman tests, blood counts, fluoroscopic and X-ray examinations will not be included in such examination, unless such examining physician shall find specific necessity therefor and shall first obtain authorization therefor from O. P. S. Examination requiring certification will not be procured. No examination will be procured within the period of the first six months of the exploye's coverage by O. P. S., except as provided in Section 15 (c) of this contract.

13. REFRACTION: Eye examinations and testing for eye glasses will be procured of eye specialists cooperating with O. P. S., provided that the employe will have had O. P. S. coverage continuously for three, or more, months before the occasion therefor shall arise, unless such service shall be necessary in the treatment of an acute illness or injury. Eye glasses will not be procured by O. P. S.

14. PROPHYLACTICE MEASURES: O. P. S. will procure such prophylactic measures as may reasonably be necessary in preventing the spread of disease among employes of the Employer. This service shall include cooperation with the State Board of Health in the analysis of drinking water and general sanitation work.

15. MEDICAL, SURGICAL AND HOSPITAL COVERAGE: This contract includes within its operation, and covers, and O. P. S. will procure, subject to the provisions of this contract, hospital, medical and surgical treatment, and other services, in the following cases:

(a) Accidental injury sustained by an employe during the term of his coverage, except that resulting from an industrial accident;

(b) Acute illness suffered by an employe during the term of his coverage, except acute illness symptomatic, diagnosed and being treated, or symptomatic,

or diagnosed, or being treated, at the time when the employe will first become entitled to the benefits of this contract.

(c) Chronic illness arising in an employe who will have become entitled to the benefits of this contract on the date on which this contract will first become effective as to other employes of the Employer, except that during the first six months of such employe's coverage under this contract, benefits shall be limited to the acute phase of such chronic illness. Chronic illness arising in an employe who will have become entitled to the benefits of this contract after the date on which this contract will first become effective as to other employes of the Employer, except that such chronic illness as will have become active or will have manifested itself during such employe's first six months of coverage under this contract, will not be covered nor be subject to the benefits of this contract. For the purpose of this subsection (15. (c)) credit will be given to employes of the Employer for periods of coverage under other O. P. S. Full Coverage Medical and Hospital Service Agreements, and for periods of coverage under like, or substantially similar, medical and hospital service agreements of other medical contractors, provided that such periods of coverage by O. P. S. or other medical contractors will immediately have preceded such employe's coverage by this contract. A chronic illness originating, or diagnosed or treated, or becoming symptomatic, prior to the time when an employe of the Employer will have first become entitled to the benefits of O. P. S. Full Coverage Medical Service, or like benefits under a like, or substantially similar, and immediately preceding, service of another medical contractor, is not covered by this contract. A "chronic illness", as used herein, hereby is
3845 defined to be an ailment of prolonged duration characterized by slowly progressing symptoms, as differentiated from an "acute illness", which hereby is defined to be an ailment of recent origin progressing speedily to a crisis and requiring immediate medical and surgical care, or immediate medical or surgical care. A "chronic illness" shall specifically include, without being limited to, such conditions as goiter, stomach ulcers, gall stones, kidney stones,

traumatic deviated septums, sinus conditions, hernia, cancer (including treatment by radium), heart diseases, tuberculosis, neoplasms, chronic appendicitis, diseases of the prostate gland and diseases of the female reproductive organs.

16. EXCLUSIONS AND LIMITATIONS:

(a) The benefits of this contract do not apply to any of the following: Neither industrial accidents, nor injuries nor diseases falling within the provisions of any industrial insurance or Workmen's Compensation Law or contract (whether the employe or the Employer will have elected to accept, or to reject, the benefits of such law or contract) to which the employe is, or could be, eligible, nor insanity, mental disorders, pregnancy nor childbirth, nor any result of any thereof, nor venereal diseases, alcoholism, drug addiction, pyorrhea, deformities, congenital physical defects, attempts at suicide, injuries resulting from professional competitive sports, nor any result of any thereof, nor injuries nor illnesses, sustained in, or resulting from, the employe's commission of a crime, nor any condition excluded by any other provision of this contract, nor any condition which will be active, symptomatic, diagnosed, or under treatment, at or before the time when the employe will become entitled to the benefits of this contract (except as stipulated in the provisions in such respect of Section 15 of this contract), nor injuries occurring to the employe prior to his becoming entitled to the benefits of this contract, nor injury resulting from an act of personal violence in which the injured employe will have been the aggressor, nor injury nor illness sustained by the employe as a result of his use of intoxicating liquor, drug or narcotic if the use of such intoxicating liquor, drug or narcotic will have been a primary cause of such injury or illness.

(b) O. P. S. shall not be required to procure hospital, nursing or ambulance services for diseases, or the results thereof, subject to quarantine, but O. P. S. will procure physicians' services in such cases when necessary.

(c) All benefits provided for by this contract are, and will be, limited to one year from the date of first

treatment of any specific condition involved, resulting from a separate and distinct cause. The procurement of hospital care is, and will be, limited to six months, except that in a case involving a cerebral condition, tuberculosis, malignant neoplasms or cardiovascular renal disease the period of hospital service is, and will be, limited to three months. O. P. S.'s responsibility for procuring hospital and sanitarium care, or hospital or sanitarium care, for a tuberculosis case is, and will be, limited to a cost not greater than that prevailing in a case receiving three months of care at the Oregon State Tuberculosis Hospital. The procurement of a private room is, and will be, limited to thirty days in any one case. The period of thirty days provided herein for private room accommodation shall be deemed part of the total hospital and sanitarium care, or hospital or sanitarium care, provided for herein. Special nursing care is, and will be, limited to thirty days' service in any one case.

3846 (d) Materials for allergy treatment will not be procured. O. P. S. will procure such services of a physician or surgeon cooperating with O. P. S. as will be required for the performance of necessary blood transfusions, and the cost of procuring blood, if it be provided by professional donors, will be borne by O. P. S.

(e) Professional services and necessary hospitalization will be furnished for the removal of tonsils, provided that membership has been continuous for six (6), or more, months.

(f) The benefits of this contract do not apply to any injury resulting from employment, or any result thereof, it being understood that the medical, surgical, hospital and other care for such cases are, and will be, procured (if procured) under the supervision and control, and at the expense, of the State Industrial Accident Commission, or other insurance carrier, or the Employer, or others, and not O. P. S.

(g) The benefits of this contract do not apply to any injury or illness of any employe caused by the negligence or wrongful act of any other person, except to the extent that if an employe entitled to the benefits of this contract shall be injured, or shall suffer

illness, because of the wrongful act or negligence of any other person and thereafter shall make all reasonable efforts to recover from such other person and anyone responsible or answerable for such other person's negligence or wrongful act, O. P. S. will procure for such employe the benefits of this contract which cannot be made available out of funds reasonably recoverable from, or through, such other person. Such funds shall be deemed not reasonably recoverable from, or through, such other person if it shall reasonably appear that should an action therefor be prosecuted, and judgment therefor be obtained, against such other person and anyone responsible or answerable for such other person's negligence or wrongful act, execution on such judgment would be unavailing.

(h) In order to make it financially possible for O. P. S. to procure the services stipulated in this contract, employes requiring hospital care, surgical operations or medical services for any of the conditions covered by this contract shall be entitled thereto only in hospitals approved by O. P. S. for rendering such services, and by physicians, surgeons and specialists cooperating with O. P. S. (who, for convenience, are described in this contract as "cooperating" physicians, surgeons or specialists) for this purpose, except as provided otherwise for emergency services.

(i) No benefit, right or interest of either the Employer or any employe under this contract can be assigned or transferred, and any such attempted assignment or transfer shall be invalid and void.

17. Arbitration Provisions: Should O. P. S., either upon, or without, the advice of an attending physician or surgeon cooperating with O. P. S., at any time determine that any employe of the Employer, is not, or will not be, entitled to the treatment, or any treatment, herein stipulated, and that such employe's case is of a class excluded, or partially excluded, from the benefits of this contract, then, and in that event, either the Employer or the employe shall have the right to employ a competent practising medical physician or surgeon, duly licensed to practise in the State of Oregon, to examine such employe for the purpose of advising such employe whether such determination made by

O. P. S. is correct. If such consulting physician or surgeon and O. P. S. shall be unable to agree in such respect, then in that event, O. P. S. and the Employer shall select another competent, practising medical physician or surgeon, duly licensed to practise in the State of Oregon, as arbiter to decide whether such determination made by O. P. S. 3847 is correct. Such decision of such arbiter shall, when made, be final. If such decision shall be contrary to such determination made by O. P. S., then O. P. S. shall pay a reasonable fee to such consulting physician or surgeon and also a reasonable fee to such arbiter for their respective services in such matter. If such decision made by such arbiter shall substantially coincide with such determination made by O. P. S., then, in that event, such employe shall pay such fees of such consulting physician or surgeon and such arbiter, respectively.

18. Payroll Deductions and Payments: In consideration of the promises and undertakings hereinbefore set forth to be kept and performed by O. P. S., the Employer hereby promises and agrees to pay to O. P. S. on or before the fifteenth day of each and every month during the life of this contract the following amounts of money (sometimes in this contract called "dues"):

(a) Three dollars ($3.00) for each employe covered by this contract who will have commenced his employment on or before the fifteenth day of the preceding calendar month and who will have been employed for four, or more, days in such month.

(b) One dollar and fifty cents ($1.50) for each employe covered by this contract who will have commenced his employment after the fifteenth day of the preceding calendar month and who will have been employed for four, or more, days in such month.

(c) Ten cents ($.10) each day for each employe covered by this contract who will have been employed for three days, or less, in the preceding calendar month, but such employe shall be entitled to the benefits of this contract only with respect to acute illness or injury originating within such period of three days, or less, of employment.

(d) The Employer shall not be required to pay to O. P. S. dues for the current month for any employe who, upon entering the employment of the Em-

ployer, shall hold a receipt entitling him to medical, surgical and hospital accommodations procured by any medical service organization engaged in such business in Oregon or Washington. This exemption from payment of dues shall apply only to the month in which such employe will have commenced his employment with the Employer. O. P. S. shall not be required to procure any of the services stipulated in this contract for any accidental injury sustained by such employe or for any illness suffered by such employe during the period for which the Employer is exempted from paying dues, it being intended that in the event of such injury or illness such employe shall look to such medical service organization which will have issued such receipt to him, for such services.

e) In case any employe for whom the Employer will have paid to O. P. S. the dues for the next succeeding calendar month, or a next succeeding period of days, or for whom the Employer will have deducted such amount from the wages payable to such employe for such payment thereof, shall leave the employment of the Employer before such calendar month or other period, will have expired, such employe shall, nevertheless, be entitled to receive all such benefits provided by this contract as he would have been entitled to receive if he had not left such employment, with respect to injury or illness which may occur to such employe during such calendar month, or other period, for which such dues thus will have been paid.

(f) An employe temporarily away from his work, because of seasonal plant shut-down or plant shut-down due to labor dispute, may, at his option, preserve his coverage by this contract by applying individually therefor to O. P. S. within ten days after the date of such plant shut-down and making arrangements satisfactory to O. P. S. for payment of his dues. Arrangements may be made, with the approval of O. P. S. and the Employer, among employes to continue their coverage by this contract by arranging for salary deductions of dues upon their return to work for the period during which coverage by this contract will have been continued. Such coverage, however, shall not continue longer

than two months without the actual payment of dues monthly in advance.

(g) The Employer promises and agrees that O. P. S. may, at reasonable times, examine the payroll of the Employer for the purpose of auditing it with respect to dues agreed to be paid to O. P. S. by the Employer.

19. WARRANTY OF SERVICE-FULFILLMENT: O. P. S. shall render a warranty of service-fulfillment in keeping with the provisions of this contract in the event that the employes of the Employer will, immediately prior to the effective date of this contract, have been entitled to the benefits of a like, or substantially similar, medical and hospital service contract issued by another medical contractor. In such event, such warranty of service-fulfillment shall be executed by O. P. S. and shall be affixed to this contract.

20. REJECTION BY EMPLOYE: In accordance with Chapter 344, Oregon Laws, 1941, as amended by Chapter 298, Oregon Laws, 1945, any employe may reject the coverage of this contract at the time when this contract is executed or at the time of his employment if entering such employment after the date of the execution of this contract, by giving written notice to the Employer of his desire so to do, or, having been under the coverage of this contract, by giving such notice in writing not less than thirty days in advance of its anniversary date. The Employer shall not retain any part of the wages of any employe who will have filed such notice of rejection, and such employe shall not be entitled to any of the benefits of this contract; provided, that any employe who will have filed such notice of rejection shall, by withdrawing his rejection, and subject to acceptance by O. P. S., have the right to come under the coverage of this contract at a future date to be agreed upon with O. P. S.

21. TERM AND TERMINATION: This contract shall remain in full force and effect from the ....day of ....., 19 ....., to the thirty-first day of December, 19 ....., or for such part of such period as the parties hereto (including the employes) shall perform and observe their respective obligations under this contract, and this contract can be cancelled and terminated, without liability therefor, by either the Employer or O. P. S. by his or its giving thirty (30) days' notice in writing to the other of them of such

termination in the event of the making of breach or default by such other with respect to its or his obligations under this contract. In the event that payment of dues shall not be received by O. P. S. from the Employer punctually in accordance with Section 18 of this contract, time being of the essence hereof, O. P. S. shall have the right to cancel and terminate this contract, without liability therefor, at any time by giving fifteen (15) days' notice in writing of such cancellation to the Employer.

22. RENEWAL: The term of this contract will expire on said thirty-first day of December of said year last above mentioned. However, unless either O. P. S. or the Employer shall give to the other of them, at least thirty (30) days prior to said last-above-mentioned date, written notice of its or his election that this contract shall not be renewed on said date, this contract shall be deemed renewed on said date, with like effect, to all intents and purposes, as if re-executed on said date by O. P. S. and the Employer, to continue in full force and effect for the next succeeding calendar year and likewise annually thereafter shall be deemed to be renewed and to continue in full force and effect from year to year, unless and until at least thirty (30) days prior to the expiration of any calendar year either O. P. S. or the Employer shall give to the other of them written notice of its or his election not so to renew this contract.

23. REVISION: O. P. S. shall have the right at any time to modify the benefits, and to adjust the consideration, or to modify the benefits, or to adjust the consideration, of this contract, consistent with changing conditions, and such revision may be made effective on the first day of any month by the giving by O. P. S. of written notice of such revision to the Employer at least forty-five (45) days
3849 prior to the effective date of such revision which will be stated in such notice. In such event, the Employer shall have the privilege of terminating this contract on the first day of the month in which such revision will become effective by giving written notice of such termination to O. P. S. at least fifteen (15) days prior to such first day of such month.

24. PARTICIPATION AND PAYMENT REQUIREMENTS: It is particularly agreed by and between the parties to this contract that all employes of the Employer shall participate at all times as subscribers to this contract, and that rejection of the coverage of this contract by any employe, in ac-

cordance with Section 18 hereof or for any other reason, shall be considered as constituting termination of this entire contract as of the effective date of such rejection. It is further agreed that the payments of dues specified in Section 18 hereof shall be accomplished through the salary deduction method of collecting such dues from employes.

IN WITNESS WHEREOF, O. P. S. and the Employer have caused this contract to be executed (in duplicate) on the date hereinabove first written by their respective, undersigned officers, pursuant to due authorization so to do heretofore granted to such officers, respectively.

..... OREGON PHYSICIANS' SERVICE

EMPLOYER

By ..... By .....

Manager

Title .....

Plaintiff's Exhibit 144

3850 OREGON PHYSICIANS' SERVICE

Supplemental
Group Family Hospitalization Agreement

This Supplemental Agreement, made and entered into this ..... day of ....., 19....., by and between Oregon Physicians' Service, hereinafter called O. P. S., and ....., hereinafter called the Employer, shall constitute a rider to the group employe medical and hospital service agreement dated ....., 19..... and currently in effect, or hereafter to be in effect, between O. P. S. and the Employer.

WITNESSETH: That O. P. S., for and in consideration of the sum or sums of money paid to it by the Employer within the time or times hereinafter mentioned, hereby agrees to make available to all family members (not otherwise subject to O. P. S. coverage) of each employe, who is covered under the original group employe contract and who subscribes for coverage for his family members on the basis stipulated herein, from time to time during the life of this supplemental agreement, as occasion demands, and/or bear the expense thereof to the extent hereinafter stipulated, hospital services including ward room care,

meals and dietary services, general nursing care, use of operating rooms, X-ray service and other benefits as stated hereinafter.

I. *Hospital Care for Family Members* shall include the following services:

a. Care in a room of three or more beds.

b. Meals and dietary services.

c. General nursing care.

d. Use of operating rooms.

e. Delivery room service in maternity cases.

f. Anesthesia.

g. Surgical and anesthetic supplies.

h. Routine splints, casts and dressings.

i. Routine laboratory examinations.

j. Diagnostic X-ray service for patients confined in hospitals.

k. Electrocardiograms and basal metabolism tests.

l. Drugs and medications in hospitalized cases but not in excess of five dollars ($5.00) per hospital admission.

m. Maternity care up to sixty dollars ($60.00).

n. Hospital emergency room care for accidental injuries.

II. *Service Prerequisites and Limitations.*

a. All stipulated services shall be furnished to a family member only when said member is a duly registered bed patient in an approved general hospital and is under the care of a listed cooperating O. P. S. physician, surgeon or consulting specialist.

3851 b. It shall be the duty of the family member to notify promptly the hospital and the cooperating O. P. S. physician that he is an O. P. S. family member, and failure to select an O. P. S. cooperating physician or to notify either the hospital or physician concerning membership in O. P. S. shall be deemed conclusively to be a waiver of all benefits hereunder.

c. The obligation of O. P. S. to provide hospital care, as defined above, is limited to a period not to exceed twenty-one (21) days for each particular physical disability arising from a separate and distinct cause. Hospital care will be provided only while a family member is necessarily confined to a hospital as a registered bed patient for the treatment of a coverable condition under the care of an O. P. S. cooperating physician. Hospitalization shall not be furnished hereunder for a rest cure or for the purpose of diagnosis only.

d. In conditions necessitating hospitalization beyond twenty-one (21) days, O. P. S. will pay or reimburse the costs of hospital care as defined above in an amount not to exceed fifty (50) percent of such costs for a maximum period of not to exceed ninety (90) days immediately following said twenty-one (21) days period.

e. Family members traveling or temporarily outside of the State of Oregon are entitled to reimbursement for the expenses of coverable hospital care obtained outside of the State of Oregon up to a maximum of six ($6.00) dollars per day for a period not to exceed twenty-one (21) days in any coverable case. Services hereunder are limited to the Continental United States. In the event that coverable services stipulated hereunder should be obtained by a family member from any Oregon hospital which may require payment therefor direct from the patient involved, then, and in that event, O. P. S. shall be responsible for reimbursement for such service costs only up to a maximum of six ($6.00) dollars per day for a period not to exceed twenty-one (21) days for any coverable case.

f. O. P. S. will defray the costs of Hospital Emergency Room charges for treatment of accidental injuries provided the use of emergency room occurs within twenty-four (24) hours following the time of accident.

g. O. P. S. will provide hospital care for childbirth to the extent stipulated under the following conditions:

(1) The member must be in a dues-paying two or more person family (including the employe group member) or must be an employe member under the original employe group agreement, and

(2) The maximum service to be provided by O. P. S. shall not exceed sixty ($60.00) dollars in cost in any twelve months' period, and

(3) The member requiring such services must have been a member in good standing for at least ten (10) consecutive months immediately preceding her need for such hospital care.

h. O. P. S. shall not be responsible or liable to any member if hospitalization is unavailable as a result of epidemic, public disaster or other causes or conditions beyond its control.

i. The following services are expressly excluded and O. P. S. shall bear no liability concerning such services.

(1) Services for injuries or diseases for which the member is entitled to receive disability benefits or compensation or care under any Workmen's Compensation or Employers' Liability Law.

3852 (2) Extraction of teeth or other services incident to the treatment of diseases and injuries of the jaw and its dependent tissues which customarily are performed by dentists.

(3) Services for preexisting conditions, quarantinable diseases, tuberculosis, insanity, acute or chronic alcoholism, use of drugs or narcotics, venereal diseases, deformities, congenital physical defects, attempts at suicide and conditions resulting from criminal acts.

j. The expressed written opinion of any O. P. S. cooperating physician attending any particular case shall be final with reference to the necessity for services stipulated herein for such case and also with reference to the status of such case regarding diagnosis, treatment or preexistence. However, O. P. S. reserves the right, at its option, to utilize the services of one or more specialists in the determination of the status of any case.

k. Service rights or benefits stipulated hereunder are not transferable from a member to any other person.

l. In the event that a family member should desire to utilize hospital room service of a higher cost classification than that provided hereinabove, O. P. S. will

bear the cost thereof up to the room service level provided hereinabove.

m. In the event of personal injury to any family member subject to care under this supplemental agreement resulting from acts or omissions for which third parties are legally liable, O. P. S. shall be subrogated to the rights of the injured family member to the reasonable value of the services it has provided for the injured family member.

n. Twenty-four hours hospitalization within the general limitations stipulated herein will be furnished for the removal of tonsils and/or adenoids for any family member provided such member has been covered continuously hereunder for at least twelve (12) consecutive months immediately preceding the need for such service.

III. *Payroll Deductions and Payments for Subscribing Family Members.* In consideration of the agreements hereinabove set forth, to be kept and performed by O. P. S. the Employer agrees to arrange payroll deductions from the salaries of employe group members who elect to have their families participate hereunder and to pay O. P. S. for the coverage of such participating family member, on or before the fifteenth day of each and every month hereafter during the time this supplemental agreement shall remain in effect, as follows:

a. Ninety Cents ($.90) per calendar month for each participating spouse (not otherwise subject to O. P. S. coverage) of an employe-group member.

b. Sixty Cents ($.60) per calendar month for the first participating unmarried child of an employe-group member.

c. No additional charge for additional children, if any, in excess of one (1).

d. Any spouse eligible for coverage hereunder may participate up to the age of sixty-five (65) years.

e. Any unmarried child eligible for coverage hereunder may participate providing the age of such child is not less than thirty (30) days or more than eighteen (18) years. Upon reaching the age of nineteen (19) years, or upon becoming married at a younger age,